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Austria	13 S.	Lebanon	20 L.F.
Belgium	20 S.F.	Luxembourg	250 Dr.
Denmark	330 Dkr.	Norway	50 Kr.
France	100 F.	Netherlands	150 Flor.
Germany	100 M.	Portugal	15 Esc.
Greece	100 Dr.	Spain	166 Ptas.
India	100 Rupee	Sweden	250 S.Fr.
Italy	100 Lire	Switzerland	100 S.Fr.
Japan	100 Yen	Turkey	100 Liras
Korea	100 Won	U.S. Military	50 C.
		Venezuela	100 B.

Established 1887

Current-Accounts Gap

U.S. Deficit's Widening Fanned by Blumenthal

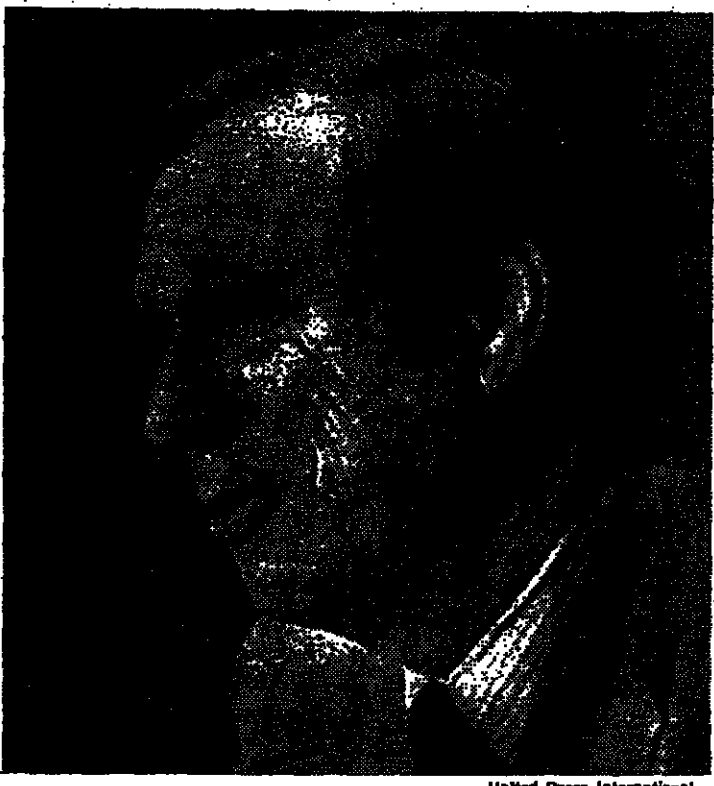
By Hobart Rowen

WASHINGTON, Sept. 27 (WP).—Secretary Michael Blumenthal predicted today that the U.S. trade deficit, which hit record \$2.7 billion in August, would continue to widen this year, and that the current account deficit would reach \$15 billion by the end of the year.

Blumenthal, in a speech before the House Committee on International Trade, said that the U.S. trade deficit had increased for the 11th straight month, and that the current account deficit had increased for the 10th straight month.

He said that the U.S. trade deficit was the result of a combination of factors, including a strong dollar, a decline in U.S. exports, and a rise in U.S. imports.

Blumenthal also said that the U.S. current account deficit was the result of a combination of factors, including a decline in U.S. exports, a rise in U.S. imports, and a decline in U.S. foreign investment income.



Michael Blumenthal, who addressed IMF

Minister Hans Apel said that a second acceleration program, just announced, would boost his nation's growth rate to 4.5 per cent in 1978. But he warned that a few individual countries could not alone carry the burden of stimulating worldwide recovery.

Surprise Move in General Assembly

Underground Test Ban Offer Is Made by Moscow at UN

UNITED NATIONS, N.Y., Sept. 27 (AP).—The Soviet Union, in a surprise move, today offered to join the United States and Britain in a suspension of all underground nuclear weapons tests for an unspecified period.

Meanwhile, Soviet Foreign Minister Andrei Gromyko will make an unexpected return visit to the White House tonight to resume arms control talks with President Carter, the White House announced.

White House Press Secretary Jay Bybee said Mr. Carter told Mr. Gromyko when they met in Washington last Friday that "he would be willing to continue the discussions if the Soviets thought that would be worthwhile."

Secretary of State Cyrus Vance also was returning from New York for the renewed talks.

Threat of War
"The prohibition of all nuclear weapons tests would be a major step conducive to lessening the threat of nuclear war and deepening détente," Mr. Gromyko said at the UN General Assembly session today.

Negotiations on a comprehensive test-ban agreement that would include explosions for such peaceful purposes as river diversions are scheduled for Geneva next week.

U.S. officials were not notified in advance of today's Soviet move. To them, it appeared to represent a serious intent to complete a weapons test ban.



Soviet Foreign Minister Andrei Gromyko addresses UN General Assembly yesterday.

On 2d Day of Cease-Fire

Tensions Abate in South Lebanon

By Marvin Howe

BEIRUT, Sept. 27 (UPI).—The olive groves are scorched brown, hardly any of the stone houses are left intact and the only sign of life on Main Street is a small girl and three stray cats.

"We think other families will be coming home tomorrow now that the guns from Israel have stopped firing," 12-year-old Latifa al-Uti said brightly today, the second day of a cease-fire in southern Lebanon.

Grizzled Lebanese farmer Ali al-Uti and his family were among a score of civilians who remained throughout the 11-day Israeli-led siege on this once prosperous olive-growing center of 25,000 inhabitants.

"There has been no shelling here since 10:30 a.m. yesterday," Cmdr. Abu Said, who heads the combined Palestinian-Lebanese leftist forces at Kham, declared shortly after noon.

Skytrain Begins Its Second Trip

One-Third Full

LONDON, Sept. 27 (AP).—Freddie Laker's no-frills Skytrain left less than one-third full for its second trip to New York today.

There were 111 passengers aboard the 345-seat DC-10. This figure was well below Skytrain's break-even point of 189 booked seats. At \$103.25 a head for the trip to New York, Laker Airways lost about \$8,000.

On yesterday's inaugural round-trip flight, heavily filled by paying journalists, he recorded a profit of about \$18,700.

The first flight, from London to New York, had 274 passengers and the return, which costs \$135, was full.

"It's fabulous," Mr. Laker said earlier today after disembarking from his wide-bodied jet when it landed at Gatwick Airport south of London at the end of its first round-trip flight. "All 345 seats on the plane were full, so I sat with the crew on the flight deck. No one was left behind."

Reports from other key zones on the southern front were the same: general calm since the cease-fire went into effect yesterday morning and no serious violations. The Israelis have pulled back most of their troops and tanks, leaving only a few isolated armed outposts. The Palestinian-Lebanese leftist forces, like the Israeli-supported Christians, are holding their fire and their positions.

Nevertheless, impartial observers were not authorized by the Palestinian command to approach Christian positions or remain in sight of their guns "because of the risks."

Frontier Reported Quiet
TEL AVIV, Sept. 27 (UPI).—Military sources reported the Israeli-Lebanese frontier quiet today despite Arab guerrilla sniping of an Israeli border town along the Mediterranean during the night.

Mrs. Kreps' Message Strongest to Date

U.S. Warns Japan on Trade Gap

By Andrew H. Malcolm

TOKYO, Sept. 27 (NYT).—A day after her department reported the second largest monthly U.S. trade deficit in history, Commerce Secretary Juanita Kreps warned businessmen here today that a continuation of such trade imbalances is "simply unacceptable."

Mrs. Kreps' message, one of the sternest yet delivered amid mounting U.S.-Japan trade frictions, was delivered in a speech and at a news conference during the second day of her three-day visit to America's chief trading partner.

Mrs. Kreps is the latest in a long line of U.S. trade officials who have visited Japan to urge Japan to do more to rectify its long-standing trade surplus with the world in general and the United States in particular.

A primary solution proposed by Mrs. Kreps and the others is for Japan to purchase more goods abroad, especially in the United States.

10-Year Imbalance
Noting that the United States, which reported a \$2.7-billion August trade deficit, has also incurred a trade deficit with Japan in every year for the last decade, Mrs. Kreps said that last year's U.S. deficit totaled \$5.4 billion.

British Chancellor of the Exchequer Denis Healey, endorsing the general sense of the meetings, said that there should be more rapid economic growth, and that Britain's improved position would enable it "to begin considering" (Continued on Page 9, Col. 2)

Lobbying Campaign Grows

ix Tides Shift in Favor of Americans Abroad

By Art Pine

WASHINGTON, Sept. 27 (WP).—Congress began looking holes to tighten as part of a tax bill, one of the latest breaks to go was the tax that allows Americans abroad to avoid U.S. income tax on a major share of their earnings.

It seemed a natural, tax purists argued, these persons who already had nervous, high-paying jobs in foreign countries and correspondents. Why they get so generous a break as well?

After months of thinking was finished with the measure is facing intense pressure not only to reverse action, but to broaden breaks for U.S. citizens overseas well beyond what they were before the measure.

Higher Bracket
Required overseas workers to pay their taxes on the U.S. as though the initial were taxable—in effect, the leftover in a higher tax bracket. The over-\$20,000 earnings were taxed at the 50 percent rate.

computing the market value of overseas housing.

This has created a real pinch on some American workers living abroad, sending a number of them packing for home and sending their employers up in arms.

The U.S. Overseas Employees Tax Fairness Committee, a new lobby group set up by the

National Constructors Association, contends that the cost of underwriting these increased tax burdens has sent the direct costs of doing business abroad soaring by 10 to 25 per cent—and has made some U.S. firms unable to compete for lucrative contracts.

Robert Gantz, vice-president of the constructors' group, warns that if U.S. construction firms continue to "lose" overseas business as a result of the new tax provisions, the cost—including a cut in U.S. exports of building materials—could reach \$4 billion.

Exxon Is Accused of \$56 Million in Payoffs

WASHINGTON, Sept. 27 (UPI).—The U.S. Securities and Exchange Commission today filed a civil action against the Exxon Corp., accusing it of paying \$56.5 million in bribes and illegal political contributions in Italy and 15 other countries and of keeping a Japanese parliamentarian on its payroll.

Exxon neither admitted nor denied charges, filed in U.S. District Court, but America's largest oil corporation consented to an injunction that forbids further payments.

The SEC said the payments were made from 1963 to 1975, when the Senate subcommittee on multinational corporations subpoenaed Exxon's corporate records and forced company executives to disclose at least \$46 million in payments, largely in Italy.

Dutch Psychological Program Seeks to Aid Ex-Hostages of Moluccans

By Murray Seeger

ORONINGEN, the Netherlands, Sept. 27.—For the last three months, Dutch family doctors and social workers have been dropping in for coffee regularly at the same houses in towns across the Netherlands.

They may talk about the weather or the decline of Dutch soccer from top rank to a more modest level.

However, the callers and their hosts also talk about the experience of being held prisoner by armed terrorists under humiliating psychological conditions.

The individuals receiving the visits are among the more than 200 Dutch citizens who were held hostage by South Moluccan terrorists in four incidents during an 18-month period.

After the first two sieges in 1975, Dutch doctors discovered in-

dividuals suffered serious, delayed psychological reactions. The doctors had initially believed that there had been no mental damage.

Now, following two bigger incidents of last spring, when terrorists took over a train and a school for nearly three weeks, the Dutch government has been conducting an active program to forestall new traumas.

In addition to treating victims of terrorism, the authorities have also tried to educate the general public on the known effects of being held hostage.

The government is also attempting to improve relations between the Dutch population and the South Moluccan minority that has produced a small but determined group which has used terrorism to promote its political aims.

"We find the hostages have similar reactions to the concentration camp victims," Dr. Willem Van Dijk said. "They all have a pervading feeling of abandonment, of isolation."

"We have become more forward, more aggressive in treating the hostages," Dr. Willem Van Dijk, chief of social psychiatry at the Groningen University Child, which is a short distance north of where three of the four terrorist actions took place.

"It was not in the Dutch tradition to go out and find the patients—they were expected to come to them," he said.

The Dutch doctors are also coordinating the research and treatment of the recent hostages with a continuing program of treating victims of Nazi concentration camps.

Later, a group of the 1975 hostages formed an organization that criticized the government for paying too little attention to the hostages while concentrating its attention on the terrorists.

Among the train prisoners, a couple of divorces were blamed on the strain between a spouse who had been a hostage and the other who was waiting at home.

"Yes, there were some divorces, but there were some marriages made better, too," Dr. Van Dijk said. "Some couples found they had something in common to talk about for the first time."

Some 1975 hostages, led by K.F. Wietinga of Haren, also formed an association with South Moluccans with the goal of improving relations between the two communities.

As many experts have found, hostages frequently identify with

Malaysia Crash Of Japanese Jet Kills at Least 17

KUALA LUMPUR, Malaysia, Sept. 27 (UPI).—A Japan Air Lines DC-8 carrying 79 persons crashed tonight while approaching Subang International Airport in heavy rain, authorities said.

A JAL spokesman and the Japanese Embassy in the Malaysian capital said that at least 17 of those aboard were killed, 46 seriously injured and the others listed as missing.

The plane went down after striking a hillside in a palm oil plantation at Sungai Pulong, 20 miles north of Kuala Lumpur, officials reported.

But Germans Await U.S. Move

No Bonn Bar Seen to Neutron Arms

By Michael Getler

BOON, Sept. 27 (WP).—The West German government probably would not oppose the stationing of U.S.-produced neutron weapons on West German soil, most leading government and political figures here believe.

The Bonn government, however, has made no final decision thus far on the politically sensitive issue of stationing these special atomic weapons here.

Nor is the government likely to say anything publicly about allowing such deployment until President Carter first announces his intent to produce these weapons and the 14-member North Atlantic Treaty Organization agrees that they are necessary and should be stockpiled in West Germany.

In effect, Bonn and Washington, the two most important links in West European defense plans, are locked in a "chicken or the egg" situation when it comes to endorsing publicly this controversial new atomic warfare for short-range missiles and artillery shells.

Production Funds

Although President Carter appears to want some public declarations of alliance support before he requests production funds from Congress, the West Germans "don't want to give an answer before it is decided by

the President to produce the weapons," a top aide to West German Chancellor Helmut Schmidt said.

"We are not going to invite deployment—before your President has even made that decision—and make political fools out of ourselves," another official said.

The neutron weapons—which are designed to kill primarily by enhanced radiation techniques rather than the combined blast, heat and shock effects of typical atomic weapons—have generated sharp controversy and some strong criticism here.

But the widespread view after discussions on the subject in the lower house of the West German parliament, the Bundestag, earlier this month is that West Germany will not prevent introduction of the new weapon if Mr. Carter gives the go-ahead.

No Obstacle

Although the parliament did not voice a resounding "yes" to introduction of the new weapon, "at least no major obstacle was put in its path," an aide to Mr. Schmidt said.

A speech by Conrad Ahlers, a member of the Bundestag Defense Committee and of Mr. Schmidt's ruling Social Democratic party, is widely interpreted as reflecting the coalition government's position. Reciting the pros and cons of this new weapon, Mr. Ahlers concluded, "In my

opinion, we will have to learn to live with the neutron bomb and to include it in our defense concept."

Defense Minister Georg Leber, also a Social Democrat, rejected as too emotional the most stinging criticism of the weapon made by a party colleague, Egon Bahr, the executive secretary of the Social Democrats.

Mr. Bahr last summer called the weapon—which kills people without causing the enormous physical damage of standard atomic weapons—an example of "perverted thinking."

'Humanity' Issue

Mr. Leber said the new weapon was neither more nor less humane than other atomic weapons.

Mr. Leber was also careful not to commit himself, and cautioned that further discussions are needed and that such decisions can only be made by NATO as a whole. But a Bonn newspaper reported after Mr. Leber's speech that "indications are that a basic decision has been made in favor of the neutron bomb."

Conservative opposition party leaders have generally been supportive of the weapon.

Politicians here make it clear, however, that a false move in seeming enthusiasm about the weapons could explode in the government's face because the issue clearly remains controversial.

Allied Stance

Thus, in Bonn's view, the NATO group consultations are very important to provide an allied, rather than a U.S.-West German, stance on the situation.

Bonn-Washington discussions and commitments are apt to remain private until all major positions are worked out, sources here said.

The neutron weapon is likely to be a main topic of conversation here tonight when President Carter's national security adviser, Zbigniew Brzezinski, arrives for a private dinner meeting with Mr. Schmidt.

West German military strategists generally view the neutron warheads as having significant advantages for possible use against massed Soviet tank forces. The strong radiation emitted by these weapons, they suggest, is sufficient to penetrate the heavy shielding against atomic attack that Soviet tanks carry. Thus, they view the weapon as a major factor in deterring attack.

The argument against these weapons is that they contribute to the idea that they are easier to use and control and thus could lower the threshold at which nations might decide to order escalation from conventional to nuclear warfare.



FLAT OUT IN THE CITY—Tired London businessmen, laid out in the aisles of St Mary Woolnoth Church, relax and meditate while physiotherapist Laura Mitchell teaches them how to cope with stress. The weekly sessions have been introduced by the vicar, the Rev. Geoffrey Harding, and are drawing good crowds despite the fact some visitors tend to fall asleep.

Madrid Police Officer Slain On Anniversary of Executions

MADRID, Sept. 27 (UPI).—On the second anniversary of Spain's execution of five revolutionaries, gunmen today shot and killed a 55-year-old police captain on a suburban street here.

A heretofore unknown "Revolutionary Organization of Anti-Fascist Spain" claimed responsibility for the slaying. The claim was made in a series of anonymous telephone calls in Barcelona.

The victim, Florentino Bermejo Carretero, was intercepted on a sidewalk near his home by two men who shot him in the head with a pistol, police sources said. Capt. Bermejo served as the chief of radio patrol cars of

the National Security Police in Madrid.

The captain was the 10th Spanish policeman to be slain this year by political terrorists.

Convicted of Terrorism

The killing was on the anniversary of the Sept. 17, 1975, execution by a firing squad of three members of the Patriotic Anti-Fascist Revolutionary Front (PRAF) and two members of the Basque separatist organization, ETA.

The five were all convicted of terrorism in connection with the murder of policemen, and the late generalissimo Francisco Franco refused to commute the death sentences.

Extremist leftist organizations have called for demonstrations here and the Basque region to mark the second anniversary of the executions.

Prime Minister Adolfo Suarez said the slaying was "condemned by all forces working for a consolidation of democracy." The Spanish Communist party proposed a common mass demonstration against terrorism.

Silent on Calls

Official sources initially refused comment on the anonymous calls by the "Revolutionary Organization of Anti-Fascist Spain." The most active guerrilla group in the last two years has been the Oct. 1 Anti-Fascist Resistance Group (GRAPO) which murdered four policemen Oct. 1, 1975, just four days after the executions.

While there was no immediate word from GRAPO with regard to the latest killing, PRAF declared in a telephone call to a Madrid newspaper that it had nothing to do with the attack.

The killing was only the latest incident in a series of political violence. Last week, rightist extremists killed one person and injured 15 in a bomb attack on a Barcelona magazine. On Friday two alleged members of GRAPO were wounded in gunfights with police, who accused them of planning a number of subway station bombings.

Soviet Offer On Test Ban

(Continued from Page 1)

"With a clear prospect of improvement," he said.

Again without specifically naming China, he said all countries that have not yet agreed to treaties banning weapons tests in the atmosphere, outer space and under water should do so.

Both the United States and the Soviet Union have continued to carry out underground weapons tests, and a U.S. device was exploded in Nevada only a few hours before Mr. Gromyko spoke.

The negotiations opening next week in Geneva are designed to go beyond agreements reached with Moscow during the Ford administration on underground testing.

In another speech, David Owen, the British foreign secretary, said a comprehensive test ban treaty "has eluded the world for too long." He said such a treaty would have "a profound effect" in limiting the proliferation of nuclear weapons.

When negotiations failed to end the tension between the terrorists and the government, troops attacked both sides. The ferocity of the dawn attacks was an effort to stun the terrorists into inaction.

But, of course, the attacks also shook up the hostages, who had been sleeping.

"They came off the train in a dazed state," Dr. Van Dijk said. "Brought to a huge common

'Trust' and 'Mutual Respect' Seen

Goheen, U.S. Envoy to India, Sees a Warming of Relations

By William Borders

NEW DELHI, Sept. 27 (NYT).—U.S. Ambassador Robert Goheen said yesterday that the relationship between India and the United States had sharply improved this year with the change in government in both countries.

"The irritants of the past have been removed, and now the groundwork for better relations, better mutual respect and trust is there," Mr. Goheen said in an interview, reflecting on his first four months as ambassador here.

"I find a great deal of directness and candor in my dealings with the ministers, including the Prime Minister," he said. "Generally, it seems to me that this is a government which has a healthy kind of self-confidence with respect to its foreign policy, and does not feel the need to be defensive."

In the six months since Morarji Deas became Prime Minister, replacing Indira Gandhi, he and President Carter, both deeply religious men, have had what is described as a very warm exchange of personal letters. They are scheduled to meet for the first time in November, when the President visits India on a tour of eight countries.

'Terrible' Traumas

The recent improvement in the relationship between Washington and New Delhi, Mr. Goheen said, is built in part upon the efforts of "two great democracies, both just come out of terrible traumas"—the Watergate scandal in the United States and Mrs. Gandhi's suspension of civil liberties.

But Mr. Goheen, a former president of Princeton University, saw other factors, too, dating back several years.

For one thing, he said, the United States has now known, edged that "India is clear and away the pre-eminent nation on the subcontinent," and has stopped trying to treat Pakistan as India's equal, which "was a terrible cause of friction between India and ourselves."

"Whether you look at it in geographical terms, in military terms or in economic terms, India and Pakistan really aren't competitors any more, so that the game we played for many years of trying to balance one off against the other, greatly influenced by concern about Russia—that's a dead game."

'More' Relaxed

Another change, the ambassador continued, is "the fact that we're not totally hung up on anti-Communism any more. We can be much more relaxed about the Indian-Soviet relationship." At the same time, he said, the new Indian government has loosened its ties to Moscow, and that "makes it easier for us to get along."

Mr. Goheen, 58, who was born in India, the son of missionary parents, has had repeated contacts with this country, serving most recently as co-chairman of the Indo-U.S. Subcommission on Education and Culture, a group set up by the two governments.

He spoke hopefully of the commercial relationship between India and the United States, despite this country's recent moves against Coca-Cola and International Business Machines.

Dutch Program Seeks to Aid Ex-Hostages of S. Moluccans

(Continued from Page 1)

their captors and become sympathetic to their cause.

The reaction tends to wear off in time, however, Dutch doctors have found. They cite the case of a young man who had been held prisoner at the consulate and, when the siege ended, had a sympathetic attitude toward his captors.

After several sessions with a psychiatrist who played the role of gunman, the young man burst out in a rage, denouncing the South Moluccans—a year after he had been freed.

"The feeling of identity comes from the hostage's position of powerlessness," Dr. Van Dijk said. The hostage can't be aggressive. Feelings of aggression have to be sublimated.

"The hostage is completely humiliated in this position. Admits that he has to go to the bathroom where they have to ask permission to go to the bathroom."

It takes a long time for individuals who have identified with their captors to regain their "objective attitude," Dr. Van Dijk said.

"Every man has his breaking point, every man has a point where he is whole again," he said.

Dutch officials have noted that several of the 1975 hostages who joined the Wulengra group have left it, partly because their points of view have now changed and partly because two more South Moluccan gangs staged raids last May at the Bovenmilde elementary school and on a train at near-by Glimmen.

When negotiations failed to end the tension between the terrorists and the government, troops attacked both sides. The ferocity of the dawn attacks was an effort to stun the terrorists into inaction.

But, of course, the attacks also shook up the hostages, who had been sleeping.

"They came off the train in a dazed state," Dr. Van Dijk said. "Brought to a huge common

"One gets a certain amount of rhetoric about multinational companies, and yet, clearly they are ready to deal with multinational companies when they see it's to their interest," he said, citing as an example the award of a contract last week to Brown and Root, a U.S. company, to lay a pipeline to oil fields off the Bombay coast.

"There are something like 380 companies in India with American affiliations of one sort or another, most of whom feel that business is going on reasonably well," he said.

Laos Appeals for World Aid To Ward Off 1978 Famine

By Lewis M. Simons

BANGKOK, Sept. 27 (WP).—Laos, the smallest of the three Communist Indochinese states, must have international help to ward off famine, according to the Laotian government and the UN Development Program.

Many of the nation's 3 million people face starvation in the early months of next year as a result of a drought earlier this year. Failures of rice and other essential crops in some parts of Laos have been as high as 95 percent, according to a report prepared by the UNDP and the Laotian Agriculture Ministry.

Drought in widespread areas of Southeast Asia has created similar conditions in Vietnam and Cambodia, but only Laos has so far appealed for international assistance to help avert a famine.

"In order to prevent famine conditions arising as a result of the drought," the report stated, "it is obvious that advance measures will need to be taken to provide foodstuffs, particularly rice, as well as vegetable oil and sweetened condensed milk."

Enough Until March

The government estimated that the sharply diminished crop now being harvested and limited existing stocks could meet the basic needs of the population until next March.

According to the report, which has been circulated to diplomatic missions in the Laotian capital, Vientiane, the country urgently requires 367,500 tons of food to cover the leanest period from March to November.

A few weeks ago, according to the report, the regime decided to seek 122,500 tons of this total in wheat flour from foreign governments and international assistance agencies.

UNDP's office here is coordinating the aid appeal. The UN Food and Agriculture Organization, which has headquarters in Rome, has established an emergency board to supply relief for Africa's drought-stricken Sahel region.

Seed Is Sought

The FAO has already begun seeking contributions of two tons of seeds for rice substitutes; pesticides, and help in training Laotian agricultural technicians.

Although the report discusses the potential famine only in



Robert Goheen

Rhodesia Rejoins Guerrilla

By Lewis M. Simons

SALESBURY, Rhodesia (UPI).—Twenty black on their way to join were killed by Rhodesia and 11 were captured the military command today as a battle between forces and insurgents.

A communiqué said it was a battle between forces and insurgents. It incident occurred yesterday in Rhodesia war zone.

The recruits had been between last Wednesday day in northeastern Mozambique tribal region.

The communiqué said, was intercepted on its Mozambique and that 2 were killed and 11 were killed and 11 were killed and 11 were killed.

The Defense Minister, black soldier and the civilians were injured two explosions at S. Cranbourne barracks. Incident is being investigated.

Renewed Cal

Meets in Fran

PARIS, Sept. 27

France's newly-revamped held its first session today instructions to Prime Raymond Barre for his five-day visit to Moscow.

Mr. Barre's Moscow trip starts tomorrow with official attention because assistant reports that the Union was behind the

the French Co party in the current among the French leftists.

Mr. Barre's trip to Moscow is part of his current project his image abroad leading French politician chiefly as an economic ex a series of foreign visits.

Prime Minister has emphasized international stature and on his grip on the major for the legislative election.

Soviet Trawl

Banned by El

BRUSSELS, Sept. 27

Soviet trawlers will be of Saturday from the Market's 200-mile zone, a culture ministers of the

peas Economic Commission today.

This move was in response to the ejection weekend of two British French trawlers from the Sea and to a Soviet su today that KEC fishing area for the next two should be confined to trawlers.

KEC officials are puzzle the motives behind the initiative which was made KEC-Soviet negotiator reciprocal fishing rights.

Brzezinski Wind

European Trip in

BOON, Sept. 27 (UPI)

ident Carter's national adviser, Zbigniew Brzezinski arrived here today on the leg of a three-nation tour.

Mr. Brzezinski was guest of Chancellor Schmidt tonight. Before to Bonn, Mr. Brzezinski conferred with British Prime Minister James Callaghan in London.

Yesterday he met French President Valéry Giscard d'Estaing in Paris.

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News Analysis

Carter Takes the Offensive After Lance, Other Setbacks

By Hedrick Smith

WASHINGTON, Sept. 27 (AP)—With the proud unveiling of his four-continent foreign policy campaign, President Jimmy Carter has been trying to shift the focus of his administration away from the energy crisis and the economic problems of the United States. But the president's offensive has been hit by a series of setbacks, including the announcement that the administration is considering a major loan program for the steel industry to help it modernize and better compete with foreign producers.

Some senior House Democrats are already worried that, because of sluggish economic growth, the U.S. trade deficit this year will balloon well beyond the \$30 billion projected earlier. Not only European economists, but the Democratic-dominated Joint Economic Committee of Congress has challenged the administration's economic forecast and made its own pessimistic prediction of an "unfavorable" economic performance in 1978.

Abroad, Western economies are showing much less strength than President Carter and other Western leaders projected in their early optimism during a summit meeting in London in May. Neither West Germany nor Japan has been able to live up to the growth performance that the Carter administration had hoped for.

Domestically, the President's earlier political frictions with organized labor have eased with the administration's backing of a bill to increase the minimum wage to \$2.65 an hour. But Mr. Carter now has trouble in the farm belt, where some analysts are predicting a sharp drop in incomes, and among black leaders, who are impatient for his administration to produce a vigorous urban policy.

Among business circles, there is concern about his prospects for holding down federal spending and balancing the budget by 1981, because of the loss of Mr. Lance, who had become known as the most ardent fiscal conservative in the administration.

Here in Washington, supporters as well as critics of the President worry that Mr. Lance's departure has significantly narrowed his already limited number of intimate advisers. Mr. Lance was known as a peer who could not only disagree with the President but could also talk with him on a range of subjects, bringing him critical views from the business community and Congress when other advisers lacked either the stature or intimacy with the President to do so.

In the Lance affair itself, White House officials concede, Mr. Carter consulted seriously with only a handful of advisers. Even Vice President Mondale was reported to have had a very limited role, contrary to earlier expectations that he was becoming one of Mr. Carter's most important across-the-board advisers.

Popular Acclaim Paradoxically, Mr. Carter's best prospects for political success now lie in foreign policy. Not only is his eight-nation tour in November likely to attract national attention and show him winning popular acclaim abroad, but there has also been a flicker of encouragement in arms negotiations with the Soviet Union.

Equally important, the Israeli acceptance of some role for Palestinians in the Middle East negotiations has given new life to the administration's flagging hopes for a Geneva conference between Israel and the Arabs before the year's end.

One of the most ominous signs, some officials feel, is the steel industry, where the \$1.5 billion loss of 5,000 workers at Gary, Ind., and other signs have sent top ad-



FASHION BOOM—A Zurich policeman waves to demonstrate the mobility of new protective clothing used to protect bomb squad men handling explosives.

Tax Reform Now May Give Americans Abroad a Break

(Continued from Page 1)

many critics regard the construction industry's claims as exaggerated, arguing that builders' profits are high enough to absorb the extra costs. Second, the big multinational companies—particularly those that are not as labor-intensive—generally can make up the difference to their workers and still remain competitive. It's just not an issue there," a tax expert said.

Moreover, many in Congress and tax "reform" groups continue to argue that the previous tax break was too generous. "It's grossly unfair to assume that everyone working abroad ought to be entitled to that large a break," says Robert Brandon, director of Ralph Nader's tax reform research group.

Probers Stymied On Graham Data WASHINGTON, Sept. 27 (AP)—The Council of Better Business Bureaus has been unable to get a substantial response from the Billy Graham Evangelistic Association about its financial data and activities, an official said yesterday.

The council, after receiving inquiries about the association, has written it about 10 times since 1973 asking for financial data, the official said.

The Charlotte, N.C., Observer reported last June that the Evangelistic Association supplies between 80 and 90 per cent of the receipts for a fund known as the World Evangelism and Christian Education Fund of Dallas, Texas, with assets of \$22.5 million, including land and blue-chip stocks and bonds.

Several Cities in U.S. Hostile to Possible SST Landings

By Ernest Holmsdolph

WASHINGTON, Sept. 27 (NYT)—A combination of indifference and widespread hostility around the nation appears likely to limit the impact of the proposed Carter administration policy that the Concorde supersonic airliner be allowed to land at the airports of 13 U.S. cities.

At the same time, the operators of the Concorde have indicated clearly that they are more interested in gaining access to New York's Kennedy Airport than to all of the other airports combined. Nonetheless, the tentative federal approval of landing rights at the other airports touched off quick reactions among politicians, environmentalists and civic promoters, according to a New York Times check. The survey covered the 11 cities involved outside of New York and Washington.

The general impression of opinion in five indicated cities. The 11 cities are Anchorage, Boston, Dallas, Honolulu, Los Angeles, Miami, Houston, Chicago, Seattle, San Francisco and Philadelphia. "It's a jet-set boondoggle," said David Davis, executive director of Boston's Massachusetts Port Authority, reflecting political opposition to the landing of the Concorde in Boston.

"Aircraft Carrier" Both Gov. Michael Dukakis and Mayor Kevin White are against it. If the plane lands at Logan Airport, said Frederick Salvucci, state transportation secretary, "it will have to be taken out on an aircraft carrier."

The other cities opposed to the landing of the Concorde are Los Angeles, San Francisco, Chicago and Seattle. Philadelphia and Dallas officials, by contrast, have been courting the Concorde operators. Even Newark's Mayor Kenneth Gibson has made over-

tures to the Concorde, although the runway at Newark's airport is 2,000 feet too short to handle the plane.

Most of the officials in cities opposed to the plane, including those in Boston, said the landing of the Concorde would be a setback to years of effort to reduce noise pollution. Cities that favored the supersonic transport thought it would provide a lift to local economies.

Officials in Las Vegas, Nev., which has invited the Concorde operators for a visit, see a direct benefit in the landing of the plane—thousands of transatlantic gamblers arriving on the fast plane. In Los Angeles, city officials, residents and environmentalists have joined forces to oppose Concorde landing rights. Merrill Oramas, spokesman for the Sierra Club, the environmentalist group, said: "People say the Sierra Club is elitist, but a few wealthy business people saving a few hours on an aircraft that makes life miserable for everyone within earshot is truly elitist."

Richard Heath, director of the San Francisco airport, said: "We're opposed to the Concorde in any way, shape or form." Rep. Leo Ryan, a Democrat who represents the area in the House, has led the fight in Congress against landing rights for the Concorde.

Seattle officials report that they have spent \$15 million in recent years to purchase homes that would be subject to airport noise as a means of cutting down on the legal liability of the city. Although Gov. Dixy Lee Ray has supported Concorde operations in the state, officials in Seattle and Tacoma have been almost uniformly opposed, even though 25,000 residents of the area work in aviation production.

Mayor Frank Rizzo of Philadelphia has been trying to communicate directly with Prime Minister James Callaghan of Britain to get Concorde operations into Philadelphia.

Economic Enticements Meanwhile, opposition to the plane has been building in suburban Tinicum Township, which surrounds the airport and bears the brunt of the airport noise. Officials in Tinicum, like those in the suburbs of Chicago, are fearful that officials in Philadelphia and Chicago may allow the economic enticements of the plane to overcome the opposition in the suburbs.

Gov. George Ariyoshi of Hawaii and other island officials want further local studies on the impact of the Concorde before deciding whether they are in favor of the plane. However, the Hawaii House of Representatives made up its mind last year, voting

PanAm Arranges First U.S. China Tour for 120

NEW YORK, Sept. 27 (UPI)—Pan American World Airways has arranged what trade sources say is the first U.S. package tour to China.

A total of 120 persons have signed to fly to Hong Kong Dec. 1 and will enter China by train Dec. 4 for a 10-day visit to Canton, Hangchow, Shanghai and Peking.

Pan Am shunned any publicity in the organization of the tour and made no announcement in the press. It sent letters inviting seat applications to members of its Clipper Club and Frequent Traveler System. The tour was promptly sold out.

The Sept. 10 letters described the tour as Pan Am's first to China and said that it was arranged after the company received permission from the Peking government.

Trade sources said that Pan Am planned future tours to China.

Cairo Sewer Crisis Seen

CAIRO, Sept. 27 (Reuters)—Cairo will soon be inundated by sewage water unless an immediate plan is implemented to develop and repair the city's sewers, the newspaper Al-Ahram reported today. Quoting a report by a consultancy group, the paper said the sewers were overburdened by at least double their normal capacity.

Gov. Carey Backs Koch for Mayor

NEW YORK, Sept. 27 (NYT)—Gov. Hugh Carey last night ended his support of Mario Cuomo for mayor of New York City and gave his "full and enthusiastic endorsement" to Rep. Edward Koch, who defeated Mr. Cuomo for the nomination of the Democratic party.

Mr. Cuomo graciously praised the governor and called him a friend who "did everything a friend who also happens to be a governor could do." Despite the loss of his major supporter, Mr. Cuomo said he would remain in the race as the designee of the Liberal party and was "actively pursuing" the mayoralty.

2d Korean Indicted by U.S. Jury

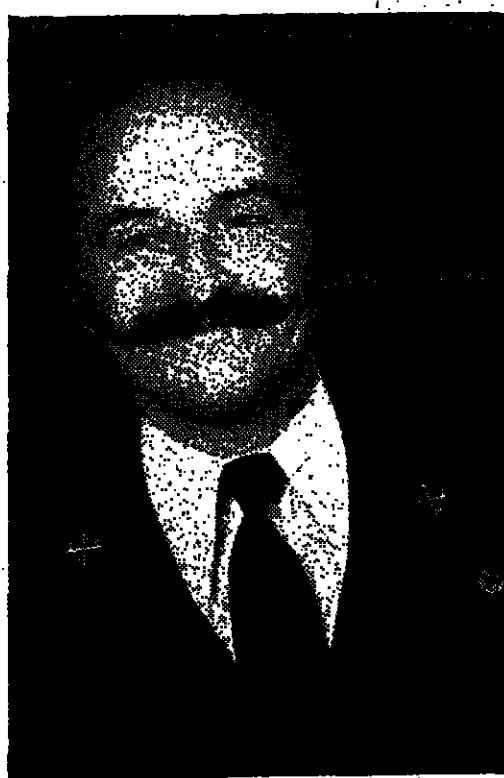
WASHINGTON, Sept. 27 (AP)—A federal grand jury indicted a second Korean, a cosmetics manufacturer, today in connection with alleged South Korean income-tax evasion in Congress.

Kim was indicted on charges of conspiracy to defraud United States and making a declaration to the grand jury charge carries a maximum penalty on conviction of years in jail and a \$10,000

former director of the Korea Central Intelligence Agency, Hyung Wook, testified before a congressional committee he understood that Mr. Kim over influence-buying efforts Congress from Tongun Park.

is grand jury has indicted Park on 36 counts, including trying and trying as a foreigner to buy influence in Congress with cash gifts and favors. Park, a Washington-based dealer, now is in Korea.

is indictment charged that Kim, of Lanham, Md., conspired with Kim Song Keun and Jang Doo, two former KCIA employees, named as indicted conspirators, "to defraud the 2d States and the Congress" said that Mr. Kim got \$100,000 from the KCIA to create what was called "Operation Snow" in an effort to get a foreign aid from Congress create a favorable attitude toward the South Korean government.



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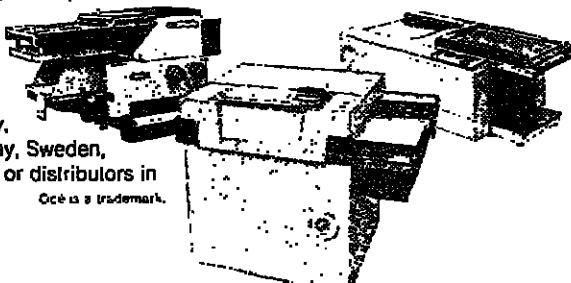
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Urges Selective, Not General, Response

U.S. Study Cites Soviet Arms Lead

By Drew Middleton

NEW YORK, Sept. 27 (NYT).—The expansion of Soviet military power in both quality and quantity demands a selective rather than a general response from the United States, according to a study published yesterday by the Brookings Institution of Washington.

The study reported that Soviet strategic nuclear power had increased roughly fivefold since 1964, that ground forces had expanded from 140 to 170 divisions, that the navy was stronger in firepower and that new strike aircraft would pose a threat to nuclear storage sites, air bases and command centers in Western Europe.

U.S. defense spending has begun to rise in response. In real terms the defense budget for fiscal year 1978, which begins on Saturday, is roughly 15 per cent larger than that for fiscal year 1975, the study says.

The study, citing government sources, predicts continuing increases in defense spending of about 3 per cent annually. It also offers the somewhat tenuous hope that a strong U.S. response to the Soviet buildup may improve prospects for arms control negotiations by making clear to both governments the futility of competition and the advantages of mutual arms restraints.

The Brookings Institution is an independent organization specializing in nonpartisan research, education and publication in economics, government, foreign policy and the social sciences. Defense Department officials consider that the institution is one of the best informed

and most consistent critics of national defense policy. The new study, "The Soviet Military Buildup and U.S. Defense Spending," was written by six institution specialists. Its basic plea is for intelligent defense expenditure so that the Soviet threat may be met in critical areas.

"An across-the-board response stemming from a diffuse sense of unease would only waste resources," the study asserts, "diverting people and money not only from important domestic needs, but also, within the armed forces, from those areas where the Soviet Union presents more significant challenges."

The two areas singled out by the study are Europe and the Middle East. In the latter, the study recommends improvement in the capability of U.S. Naval and tactical Air Forces to deter

or defeat Soviet intervention in the event of some future Arab-Israeli war.

In Europe, the North Atlantic alliance must strengthen its capability to withstand a surprise attack by the Warsaw Pact powers. Even if there were warning of an eastern attack, the study concludes that "there would be dangers to NATO."

The alliance's first priority should be "to increase the conventional capabilities of immediately available and readily mobilizable forces."

The fivefold increase in Soviet strategic nuclear weapons includes a rise in targetable warheads, that is missile re-entry vehicles and bombs, from 649 in 1964 to the present figure of 3,223. Equivalent megatonnage has risen from 1,102 to 4,851. Equivalent megatonnage is a measure of the destructive capacity of a nuclear arsenal.

The study also reports that three new types of Soviet intercontinental ballistic missiles are being deployed, the deployment of a fourth is expected and two new types of submarine-launched ballistic missiles are being flight-tested. Four of the six can be equipped with multiple warheads.

Calls for Decision

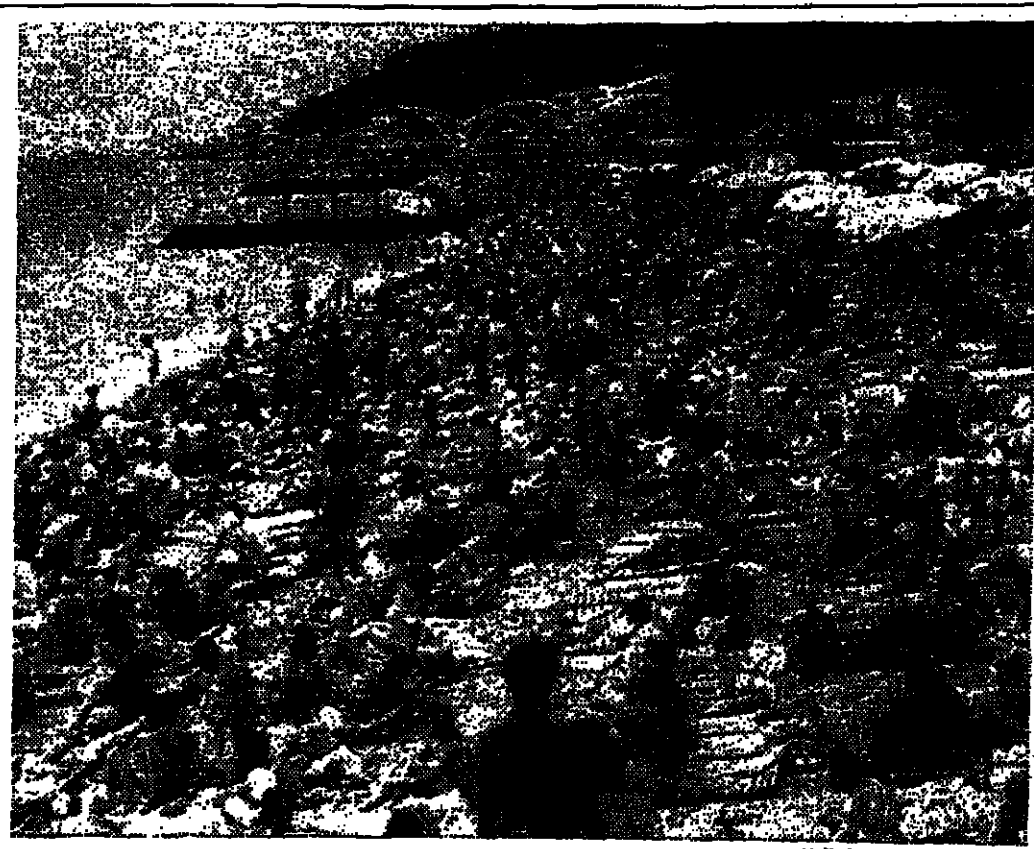
The U.S. response thus far has been the modernization of existing strategic nuclear forces. This includes the installation of a new higher-yield warhead, the 12-A, on Minuteman missiles and the development of a new intercontinental ballistic missile, the M-X.

The study calls a decision to acquire the M-X missile, which would be mobile and designed to move along hardened and covered trenches, "the single most important weapon system decision facing the Carter administration."

Polish Prelate Urges Improved Shopping

WARSAW, Sept. 27 (UPI).—Stefan Cardinal Wyszyński criticized the government in a pastoral letter yesterday for failing to ease the lot of Polish shoppers.

"We know how to undertake great economic plans and how to build luxurious official offices," Cardinal Wyszyński said. "But we do not consider that people need to eat every day. The strange spectacle of long queues, with women standing in line for hours, sometimes with small children, and the dirty shops where nervous shop assistants have to defend themselves from angry customers—all this requires changing," he said.



IT JUST LOOKS LIKE CONEY ISLAND—At the Black Sea resort of Yalta, Soviet Russian vacationers soak up the last sunshine as summer fades into the cooler fall.

In Overhaul of Military Apparatus

Admiral Named Pentagon Intelligence Chief

By Bernard Weinraub

WASHINGTON, Sept. 27 (NYT).—Defense Secretary Harold Brown has begun a major overhaul of the Pentagon's intelligence apparatus, appointing a retired admiral who worked in the CIA as his deputy for intelligence.

Pentagon officials said it was part of the overall reorganization of the intelligence community, under which another admiral, Stansfield Turner, the director of Central Intelligence, has been placed in control of the entire intelligence budget, including funding of the Pentagon's National Security Agency and the National Reconnaissance Office.

In recent months, Adm. Daniel Murphy, who served as deputy to George Bush, former director of the CIA, has quickly taken over the newly created job of director of policy review in the office of the secretary of defense. Pending congressional approval, Adm. Murphy will eventually become deputy under secretary of defense for policy, in charge of intelligence and counterintelligence.

One of Adm. Murphy's key tasks is to deal with Adm. Turner, a close friend, on budgeting and intelligence assignments for the Pentagon.

According to Pentagon sources, the aim of the overhaul is to

place intelligence gathering under closer control by Mr. Brown, and to retain one person to organize the various strands of information from such Pentagon departments as the Defense Intelligence Agency, the National Security Agency, the Defense Mapping Agency and the National Reconnaissance Office.

Adm. Murphy said yesterday that intelligence work within the Pentagon was accomplished "on a piecemeal basis and never done at the office of the secretary of defense."

"What is new is that an attempt is being made to pull it all together in a coherent way at the secretary's level," he said. "It's a question of working closely with people who do produce intelligence, and produce the kinds of things the secretary is interested in."

Staff Element

He added: "Prior to the reorganization, there was no staff element at the office of the secretary of defense that pulled together the efforts of all the intelligence organizations that fell under the secretary. Now he'll have that."

Adm. Murphy denied that there was any dissatisfaction with the operations of the various intelligence groups in the Pentagon, but

said intelligence policy was sometimes "made in default on the parts of the staff not responsible for policy."

He added that often there was "not an adequate review in tying together" the requests and data that flowed from the various military services, as well as the defense agencies.

Several intelligence sources attributed Mr. Brown's move to a certain displeasure at the kinds of information he was receiving from the Defense Intelligence Agency and the National Security Agency, a Pentagon organization that deals with strategic arms talks, NATO and diplomatic issues that touch on defense. Mr. Brown was also said to be seeking to exert his own leverage in the intelligence community.

Turn Defended

"Turner, at the beginning, tried to become intelligence czar and Brown felt it should not happen," said a senior intelligence source. "He wanted to put his own man in, in order to defend his own turf."

By appointing Adm. Murphy, a four-star admiral like Adm. Turner, Mr. Brown has sought to gain his own leverage within the intelligence community.

An intelligence source who knows Adm. Murphy said: "He's considered a very strong leader, who's able to hold his own in the bureaucracy. He's a strong type, and that's obviously why Brown needs him."

Ironically, Adm. Murphy, while at the CIA, successfully fought efforts by the National Security Agency for a major increase in resources at a time when the intelligence community was under attack for covert activities that included the planned assassination of foreign leaders.

Adm. Murphy, 56, is a graduate of St. John's University. He enlisted in the Navy as an aviation cadet in 1942.

Leaders Hope to Avoid Wrangle

Congress to Claim a Voice In SALT-Treaty Extension

By Murray Marder

WASHINGTON, Sept. 27 (WP).—Congress decided yesterday to give itself a voice in extending the American-Soviet nuclear arms accord which runs out on Monday, and the Carter administration was assured that the decision could head off a bruising debate.

The assurance was provided by the Senate majority whip, Alan Cranston, D-Calif., who reflected the consensus reached at a meeting yesterday of the Senate Foreign Relations Committee on how to deal with the dispute over the expiring strategic arms limitation (SALT) accord.

The administration has been determined to avoid a collision with Congress over extending the accord while negotiations with the Soviet Union are under way for a new, broader nuclear arms limitation. As a result, the United States and the Soviet Union have issued a "unilateral" declaration to respect the existing arms ceilings, but avoided any legal "agreement."

Sen. Henry Jackson, D-Wash., chairman of the Senate Armed Services committee subcommittee, insisted that the administration's action was, however, subject to congressional authorization. Many senators disagreed, but the Senate leadership supported Sen. Jackson.

Warnke Testifies

"I agree with Sen. Jackson that action by the Senate is required," Sen. Cranston said yesterday after testimony behind closed doors by Paul Warnke, head of the Arms Control and Disarmament Agency. An opinion from the Senate Foreign Relations Committee's legal counsel, however, expressed the opposite view, agreeing with the administration.

Sen. Cranston, however, said, "We don't want a battle over this now," while U.S.-Soviet negotiations are continuing.

What is at stake, Sen. Cranston said, "are the responsibilities of the Congress and the Senate, in foreign relations, and the recent history of abdication [to the executive branch of government] in this responsibility."

Sen. Cranston said it was

agreed that an attempt would be made "to work out language acceptable to all concerned."

Sen. Jackson's chief aid, nuclear matters, Richard said: "We have no problem with the substance" of an extension of the accord. "The only problem," he said, "is whether the required congressional approval [Sen. Jackson] is that it does."

This action is now expected to be in the form of a Senate-House resolution.

Would Not Object

Mr. Warnke, while disagreeing that congressional action required, told reporters he not object to a resolution, vided that it is an appropriate kind of resolution to support position that we have taken our unilateral declaration."

"There has to be no concern that there is an obligation to extend the accord, Mr. Warnke said."

The legislation of the law that created the arms control agency, which Mr. Warnke said, states that "no shall be taken under this other law which will obligate United States to disarm or to limit the forces or armament of the United States," except by treaty or power or "affirmative legislation by Congress."

The administration has tended that no "action" "obligation" was involved, said that the President using his constitutional prerogatives to declare an intent respect the expiring armings, if the Soviet Union exercises similar restraint."

U.S. Study Say Catholics Ignore Birth-Curb Ban

NEW YORK, Sept. 27 (UPI).—More than 90 per cent of Catholic couples using contraceptive methods are using the pill, according to a nationwide study by Princeton University researchers.

The study, by Charles V. and Elaine Jones, which appears in the current issue of Planning Perspectives, the journal of the Guttmacher Institute, shows the same proportion of Catholic and non-Catholic couples using the pill—about 90 per cent—were using the pill in 1975.

A decade ago, 31 per cent of non-Catholics were using contraceptives, as compared to 22 per cent of Catholics.

Seventy-six per cent of Catholic couples surveyed were using the pill, compared to 80 per cent of non-Catholics. A decade earlier, 55 per cent of Catholics, using contraception, compared to 70 per cent of non-Catholics. The percentage of Catholics using the pill has more than doubled since 1970, with 26 per cent of non-Catholics, the study showed.

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Mrs. Peron Must Go On Trial, Court Rules

BUENOS AIRES, Sept. 27

(Reuters).—The Argentine Supreme Court has ruled that former President Isabel Peron must stand trial on charges of using public funds for private purposes while in office.

In December, 1975, former federal Judge Alfredo Nocetti had cleared her of the charges of taking \$800,000 from a charity supplied with public funds and putting the money into the estate of her late husband, Juan Peron.

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Senate Investigates Bugging, Blackmail Charges

U.S. Aides Subpoenaed in Panama Probe

John Averill
WASHINGTON, Sept. 27.—A committee issued subpoenas yesterday for the director of the CIA, the FBI, the Army and five other officials with charges of bugging and blackmailing the Panama Canal Zone.

The sources said Gen. Torrijos used the knowledge of the bugging to put pressure on U.S. treaty negotiators. "He held this over our head and blackmailed us," a source said.

Both the State Department and the Panamanian government

denied any blackmail had been involved in the canal negotiations, which were concluded earlier this month with the signing of two treaties by Gen. Torrijos and President Carter in an elaborate Washington ceremony.

After a weekend inquiry, the Senate Intelligence Committee said a week ago that it had "no evidence" that U.S. electronic bugging in Panama had affected the outcome of the treaties.

Secretary of State Cyrus Vance took a similar position yesterday in testifying before the Senate Foreign Relations Committee. He said the pact was "not affected in any way" by U.S. intelligence activities and that he wanted to "lay to rest" reports that the United States monitored Panamanian negotiators.

Dissatisfied with this conclusion, the Senate Judiciary Subcommittee on Separation of Powers began its own inquiry, which resulted in the issuance of the eight subpoenas.

Others subpoenaed
In addition to former Sgt. Brumsteyer, those named were the CIA director, Adm. Stansfield Turner; FBI director Clarence Kelley; Secretary of the Army Clifford Alexander; Lt. Gen. Eugene Tighe Jr., director of the Defense Intelligence Agency; Thomas Constant, secretary of the Panama Canal Co.; Benjamin Civiletti, assistant attorney general in charge of the Justice Department's criminal division; and Brig. Gen. Robert Young, commanding general of the Army's reserve component, personnel and administration center.

All eight men were directed to appear at 10 a.m. Friday before the subcommittee, which is chaired by Sen. James Allen, D-Ala., an outspoken opponent of the canal treaties.

The subpoenas commanded the officials to supply the subcommittee with all records in their possession that deal with Mr. Brumsteyer.

Asked if he had evidence that Mr. Brumsteyer was the person who informed Gen. Torrijos of the electronic bugging, Sen. Allen said merely, "I want to get him before the subcommittee to get the information."

The Panama treaties, which would gradually cede U.S. sovereignty over the canal to Panama by the year 2000, are now before the Senate Foreign Relations Committee. The Senate must ratify them.

© Los Angeles Times

Pentagon Persists in Support of Canal Accords

WASHINGTON, Sept. 27 (AP).—The Pentagon's military and leaders said today they are "definitely and fully" supporting the Panama Canal accords because the agreement is "defending the water" in the long run.

1 Politician's Probe of Intelligence Case

Sept. 27 (WP).—Leeing, the leader of South major opposition party, said today that he would press a parliamentary committee to investigate charges that had sought to buy in Washington.

He said that such a committee should include pro-government and anti-government members. He criticized the committee for letting the security aspect of the Korean relations.

He also accused Tongsum of a central figure in the activities in Washington making "undue profits" in rice deals with the United States.

Position figure said that it, 42, should be investigated and perhaps prosecuted in rice import deals.

Mr. Lee's spokesman said Park reportedly obtained money from Tongsum, allegedly received from rice exporters. Mr. Lee for a special committee recently rejected by pro-government parties.

Obituaries

ay Shankar, Led India Dance Renaissance

YORK, Sept. 27 (NYT).—Shankar, 74, a pioneer in the use of dance in his country and a dancer and author whose highly acclaimed book, "The Dance of India," died yesterday.

Shankar, brother of the famous dancer Ravi Shankar, is a career in London in the partner of Anna the Russian ballerina. He created two ballets in the 1930s.

When he came to India, it was clear that he had absorbed the short-sleeved theatrical format. His innovations allowed dance to become more accessible not only to Westerners but also to an Indian audience which had fallen asleep.

Shankar was born in Udaypur, which he was named after. He was a Bengali who moved to western India, where he became private secretary to the Maharajah of Jhalandhar. He was a Hindu.

Shankar entered the school in Bombay. In 1917, he sent him to the Royal College of the Arts, where he studied painting under the famous painter, Sir John Lavery.

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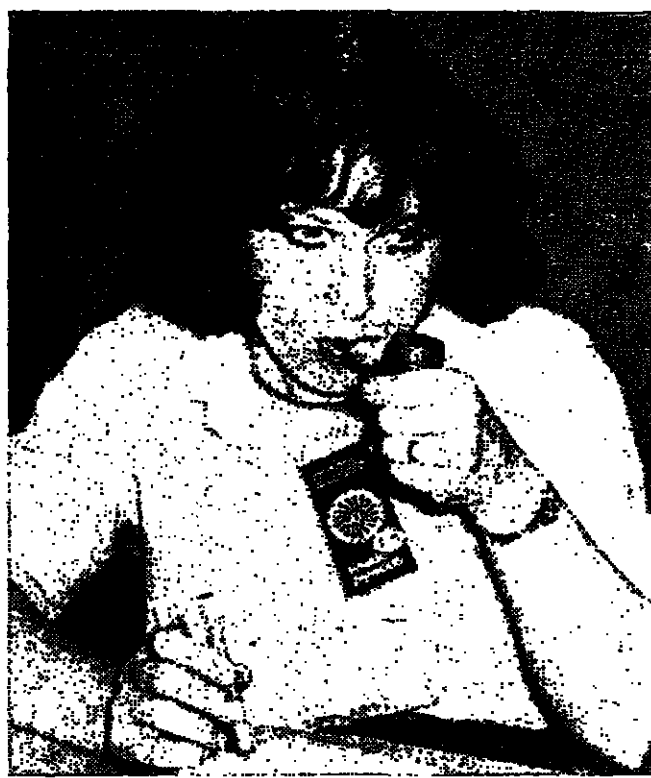
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SIGNAL SMOKER—Winner of the Italian pipe-smoking championships in Rome was Maria Grazia Drudi, who kept her pipe burning for 1 hour and 16 minutes.

Talks on Namibia End in Pretoria

PRETORIA, Sept. 27 (AP).—Discussions on the future of South-West Africa (Namibia) ended here yesterday with no indication of whether agreement had been reached.

The four-day discussions ended with a one-hour session. South African Prime Minister John Vorster was the chairman of the session.

Western delegates said they would be reporting to their governments, and declined to reveal whether any progress toward independence for the disputed territory had been achieved.

"We had a thorough exchange of views on the Namibian question," said Don McHenry, deputy U.S. ambassador to the United Nations and leader of the delegation of five Western UN Security Council members.

Mr. McHenry refused to say whether the continued presence of the South African defense forces in the territory had been the main issue of today's talks—the third round of such negotiations. Asked whether a fourth round of talks was possible, he replied: "The process continues."

Over Apartheid Stand

Vorster Says Rift With U.S. Is Growing

JOHANNESBURG, Sept. 27.—Prime Minister John Vorster told a group of U.S. businessmen yesterday that his country and the United States are drifting apart because Washington "has decided to hammer us" over South Africa's policy of racial separation.

"It is your government's right to formulate its own foreign policy but then, in fairness, it is my right to formulate my own domestic policy," Mr. Vorster told about 400 guests at the American Men's Club.

Investments by U.S. firms in South Africa are estimated at about \$3 billion.

Washington is following "a selective policy" in Africa, Mr. Vorster said, and South Africa is being singled out unfairly.

"All I'm asking is to be treated

the way you treat other countries," he said. "Name me the African country upon which I must model my country in order to be acceptable to you."

This apparently referred to the number of black-ruled countries controlled by dictators or military regimes.

Noting South Africa's strategic location and mineral resources, Mr. Vorster said that he believed it was a Communist goal to destroy his country and thus weaken the West.

Uncertain World
"The American people will see no virtue in the destruction of South Africa," he said. "In this uncertain world, South Africa is the one proven ally of the free world in southern Africa."

"It is the right of each and every nation to decide its own future and decide its own destiny. Must I change my policy every time the big powers alter theirs? That is a fair question," Mr. Vorster asserted.

Meanwhile, the police said that their raid on an urban guerrilla hideout in the Soweto black township yesterday wiped out a guerrilla cell.

A black school teacher was killed and two white policemen

were wounded during the pre-dawn raid. The police said that explosives and homemade hand grenades were found.

In another area, the police today arrested 90 youths in townships around Port Elizabeth after students walked out of schools in protest against the black education system. A police spokesman said that they would be charged under the Riotous Assemblies Act, which forbids open-air public gatherings.

Reporter Detained
In Johannesburg, security police announced that they had detained Enoch Duma, a black reporter for the Johannesburg Sunday Times.

Mr. Duma was arrested under Section Six of the Terrorism Act, which allows indefinite detention without trial.

No reason was given for the detention.

Walkout Is Extended

At Madeira Hotels

FUNCHAL, Madeira, Sept. 27 (UPI).—Hotel and restaurant workers on these Atlantic islands today voted to extend their four-day-old strike indefinitely.

The walkout hit about 7,000 foreign tourists who were forced to make their own beds and seek meals in the handful of family-run restaurants and cafes that remained open. The workers seek a 15-per-cent wage increase that would bring their salaries up to those paid on the Portuguese mainland.

I	N	D	E	X	O
S	M	E	U	B	N
H	E	F	R	A	T
O	R	T	O	N	R
R	G	L	Y	K	A
T	E	R	M	C	D
H	R	U	N	B	E

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The Energy Crisis Is Global

When President Carter referred to his energy program as the moral equivalent of war he was, doubtless, not thinking of the kind of battle he is now waging with the Senate over his bill. The thought may have crossed his mind that he was in for a fight, but his own initial popularity and his success in the House of Representatives with the energy package could have lulled him. But now the Senate is picking that package apart and its prospects are bleak.

The U.S. people have never really accepted the fact of an energy crisis. With their addiction to motoring and the extent to which it has become a central part of their economy and their lives, it was easier to see energy shortages and higher prices as part of a conspiracy by oil companies, or petroleum countries, or domestic politicians than to make the sacrifices necessary to cut down on energy consumption. It is rather remarkable, given this widespread attitude, that the House went so far with Mr. Carter.

But the Senate represents states—specific areas that produce oil, or natural gas, or automobiles. Its members are fewer than those of the House and elected for longer terms. It can defy presidents with greater ease—and it is doing so now.

The arguments for the Senate's whitening away at the Carter program are, in most specific cases, subtle and plausible. But it would seem that the basic reason for this

damaging process, which could leave the United States virtually without the kind of energy policy that most nations need today, is that the President has been so busy with so many aspects of his job that he has not explained, clearly or forcefully enough, the necessity of such a policy.

It is obviously a complex affair, as well as one that cuts close to the bone, not only in the United States, for it is really a global crisis. No country is free from its implications, whether it is buying energy or selling it, and the human race has a common problem that can only be solved by common action. What Mr. Carter has proposed for the United States is a kind of holding action, something that this country can and should do as part of and preparation for the broader approach.

But the fact that the United States can make its own start toward energy conservation and creation—even if that could not be as sweeping as the earlier proposals for "independence" suggested—poses a responsibility on the administration and the legislature and, above all, on the U.S. people. So the latter must be told, again and again, of what the start entails and what the conclusion must be, for national (and human) survival. Whatever happens in the Senate now, Mr. Carter must retake the stump, where hopefully he might be as successful in selling the need for enlightened energy measures as he was in getting himself elected.

A Bitter Quarrel in France

Until a few weeks ago, it seemed all but certain that the French left would win the election next year and sweep triumphantly into power. But now the two great parties of the left have fallen into an open and bitter quarrel that jeopardizes their chances severely. Even if an agreement can be patched together in the coming months, the Communists and the Socialists have now said enough about each other to remind voters that the profound historical differences between them are unchanged. One of them is a democratic party and the other is not.

The reasons for this outburst remain very much a mystery. There are several theories, none of them provable. Perhaps the Russians had a hand in it. They are clearly uneasy at the prospect of Communists coming to power in Western Europe and disturbing a balance between East and West that has endured for a generation. It's also entirely possible that the Communists, who generally get about one-fifth of the votes in a French election, are worried about being swallowed up by the Socialists, who expect to get one-third of the votes. Conceivably the Communists decided to have it out now, half a year before the election, at a time when the Socialists had the strongest possible interest in maintaining a facade of untroubled unity. If that was the tactic, it's been a bust. The Communists tried pushing their partners publicly on the symbolic issue of the number of industrial firms to be nationalized after the election. The Socialists responded by pushing back, even more publicly.

Whatever happens now, the left has destroyed the widespread presumption of an inevitable victory. That's healthy. Until this month the polls, the trends and the rising unemployment all seemed to point in the same direction. That prospect, in turn, frightened business, adding to the troubles of the French economy. Now the left seems to have lifted a bit. There is no doubt that the accession of a leftist government would set many other events in motion throughout Europe. The Italian Communists, for example, have been waiting patiently to see what happens in France. If Communists enter the government in Paris, the Communists in Rome would be very likely to follow that precedent promptly. In the democracies of northern Europe, where Communists can hardly get on the ballot, there have been ripples of anxiety over the threat to an open economy and the Common Market. It seemed that Europe was about to be split again, this time by Latin countries sailing off into Eurocommunist experiments in which West Germany and Scandinavia had no intention whatever of accompanying them.

As the disputes in Paris become more vehement, the anxiety index in the rest of Europe drops a little. It's still possible that the left will win next year in France. But the parties of the left themselves have now destroyed their principal asset, the atmosphere of certain victory and the enormous political momentum that it was generating.

THE WASHINGTON POST.

International Opinion

Flexibility on Retirement Age

It is part of the conventional wisdom that an early retirement age is one of the marks of a civilized society. But rest is not the only thing that is required by people beyond a certain age. Many remain active, and all too often frustrated by idleness, when their years suggest that they should be content simply to draw their pension. This has been recognized by the House of Representatives in the United States in voting overwhelmingly in favor of increasing the age at which employers can require their workers to retire voluntarily from 65 to 70. To many people that will seem eccentric. If this law is passed it will mean that the normal retirement age in the United States will be higher than, for example, in any country of the European Economic Community.

The highest age at which the national retirement scheme comes into operation among member states is 67 for men in Denmark. In Italy and France it is as low as 60 for men. The American initiative is being taken in response to pressure on behalf of the elderly themselves. There are difficulties, however. If too many people keep working as long as they can it can block the promotion prospects of younger people and engender much frustration lower

down the line. What is required is the greatest possible flexibility to take account of personal circumstances and national economic conditions. "To be 70 years young is sometimes far more cheerful and hopeful than to be 40 years old," Oliver Wendell Holmes on the 70th birthday of Julia Ward Howe.

—From the Times (London).

Vorster's Middle Way

By calling parliamentary elections 18 months early, South Africa's Prime Minister Vorster has shown how clearly he realizes that something has got to be done to relieve pressure on the white community in his country and prevent further polarization of views. Under pressure from rebellious young urban blacks and U.S. foreign policy, Vorster is picking his way between the two factions in his party, one reactionary and the other open-minded toward reform. Taking advantage of the backlash against foreign interference in internal South African affairs, Vorster will probably cement his absolute parliamentary majority at the forthcoming elections. But the important thing will be what he does on the strength of that expression of support.

—From the Neue Zürcher Zeitung (Zurich).

In the International Edition

Seventy-Five Years Ago

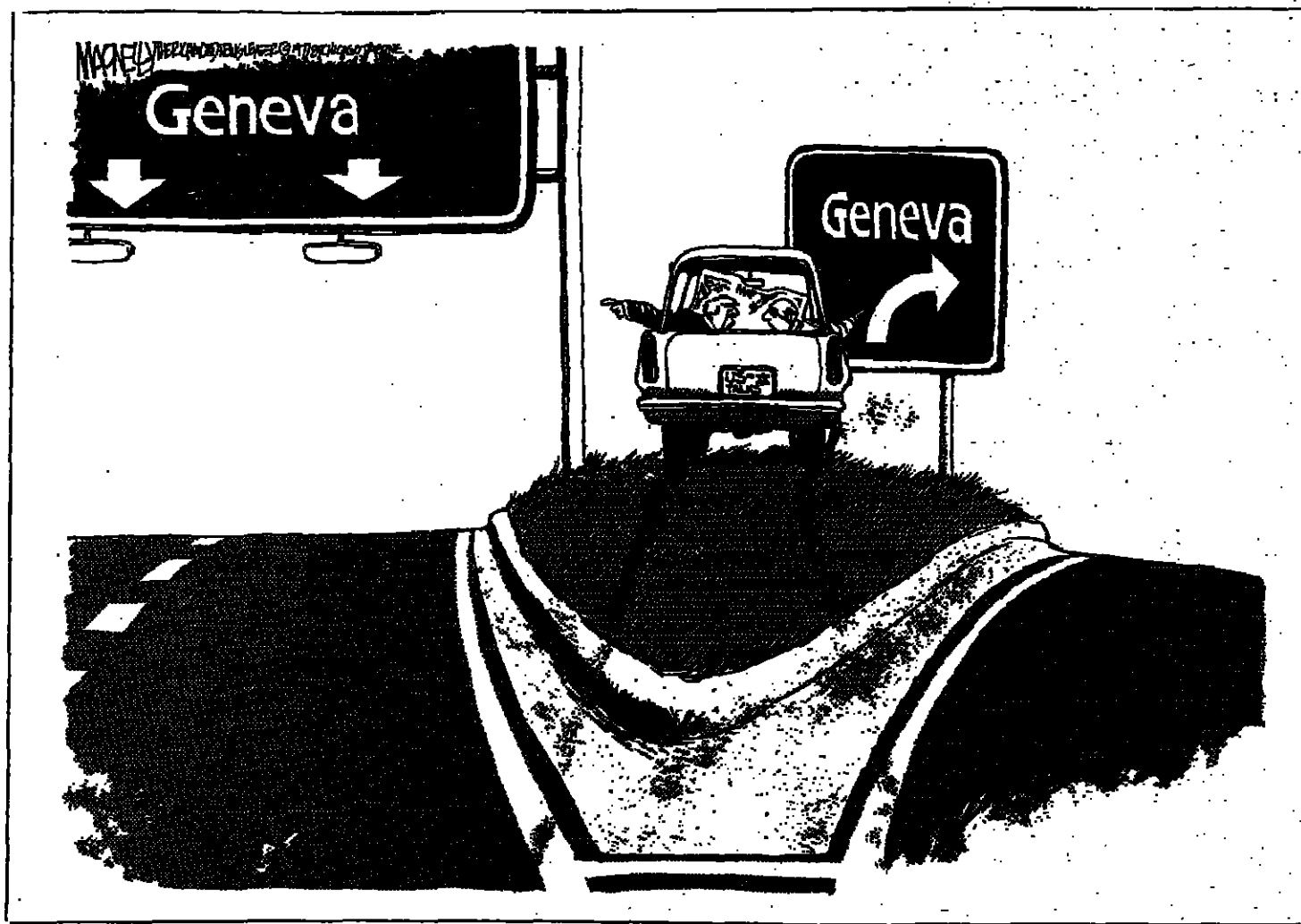
September 28, 1902

WASHINGTON—Although, according to official reports, no more U.S. Marines are thought to be needed on the Isthmus of Panama for the purpose of insuring the transit of the railway line, those already there are likely to remain for some time, and a diplomatic question has arisen in Washington as to whether it may not be necessary to keep the forces on the canal strip until the canal is built. The Colombian government fears the United States will permanently occupy the territory.

Fifty Years Ago

September 28, 1902

ROME—Donna Rachela Mussolini, wife of the Duce, gave birth to a baby boy at Villa Capena, the Premier's country house near Furi, today. Mother and son are both doing very well. The child will be given the name of Romano and will be baptized in the parish church at Capena tomorrow. Romano is the third of Mr. Mussolini's children to be born in September. The Duce always asserted that the child would be a boy and chose the name, Romano, long in advance.



The French Left Can Still Achieve Victory

By Victor Zorza

WASHINGTON—There is more method in the madness of the French Communist party than appears on the surface. Many observers believe that the party is deliberately courting defeat in the coming parliamentary elections, and its recent tactics provide considerable support for this view, but the Communists' strategy is more sophisticated than that.

The argument that they are courting defeat rests on the view that they are doing everything possible to break up their alliance with the Socialist party, without which the left cannot possibly win the election next March. They are said to fear being reduced to the role of the junior partner in a coalition government which would reflect the Socialists' much greater electoral strength—and to prefer the political wilderness to the prospect of seeing their own strength eroded by their allies. They have therefore, it is widely argued, decided that they would be better off in opposition, and have returned to the extremist ideology which would ensure that the electorate would keep both them and the Socialists out of power.

Crisis in Alliance

It is true that the crisis in the alliance is due to the Communists' insistence on wholesale nationalization, which the Socialists cannot and will not accept. But it is not true that the demand for nationalization is an empty ideological call made in obedience to party dogma, or out of fear of what the future might hold for them. On the contrary, it reflects the Communist party's hard-headed political realism.

French Socialist leaders have made it clear to the leaders of other Western nations that they need not fear the coming to power of a Socialist-Communist coalition, because the Communists would not be allocated any of the key ministries, such as those of defense, foreign affairs, and the interior. The Communists know perfectly well that they cannot count on these posts, and they are reconciled to it. But they are not reconciled to being fobbed off with a few minor ministries. Indeed, it would be politically impractical to ignore their demands if the election reflected anything like their present strength of about 20 per cent of the vote, compared with about 30 per cent for the Socialists. This is where nationalization comes in.

The joint program agreed by the Socialists and the Communists in 1972 made provision for an elaborate management structure in the public sector, which includes not only the nationalized industries, but also the state television network and the like. A key element in each case will be a board of management which will consist of three equal parts. One-third of the board will be elected by the workers in the industry concerned, one-third will be appointed by the government, and one-third will represent the consumers. It follows that any political party which controls more than one of the three segments also controls the industry—and this is what the Communists are after.

Role of CGT

Many of the key French industries are already dominated by the Communist-led trade unions under the CGT, the Confédération Générale du Travail. The Communist party has good reason to believe that when it comes to electing board members in these industries, the CGT will be able to ensure that the third of the seats reserved for the workers' representatives will go to Communist nominees.

The other third will be appointed by the government, which means, in effect, by the ministers of labor, of planning, and of the other departments concerned with industry—which are precisely the departments that the Communists hope to head in a coalition government. In this way the Communists would be able to control up to two-thirds of the seats on the boards of many key industrial enterprises. But before the Com-

munist could control them, the enterprises would have to be nationalized.

This is what the present argument between the Communists and the Socialists is really about. It is about power, not about some old-fashioned ideological formula which requires Marxists to believe in the nationalization of industry. The French Communists have readily shed the Marxist formulas which were unlikely to find favor with the electorate, such as the "dictatorship of the proletariat." They have made every effort to

introduce the cosmetic changes that might gain them some votes. But nationalization is different. It is the issue which really matters to them, for good, practical reasons of their own.

Their control of at least some of the nationalized industries will give them a power base which they can use in a number of ways to build up the party's popularity and influence. They began by demanding the nationalization of a thousand companies, but have now come down to 728. If the Socialists come up with a some-

what higher offer than the 277 companies they are now prepared to nationalize, and the Communists come down further still, the compromise will give neither side what it really wants—but it will give enough to each side to make it possible for the alliance to survive.

The gap is still wide, but the self-interest of both parties will no doubt cause them to find a compromise with which they can go forward to the election. It is much too early to count the Communists out.

War Around the Horn of Africa

By Joseph Kraft

WASHINGTON—Out of the fog of war around the Horn of Africa there now emerges a pattern of events. And out of the pattern of events there emerges one more example of the basic evolution of the Carter administration. For in the Horn as elsewhere, the administration has moved from an early push toward a bold, new policy back to a more prudent attitude.

The key to what has happened is Ethiopia. For 25 years after World War II, the United States backed the Christian Emperor, Haile Selassie, with arms, military training for his soldiers, and support for his claims to rule over the Moslem population of Eritrea in the north and the Ogaden Desert in the south.

In 1974, the emperor was ousted by a military junta, or Dergue. International struggles pushed the Dergue to the left, and relations between Addis Ababa and Washington turned sour. By the beginning of this year, the Ethiopians had closed U.S. military bases, and this country had ended its military assistance program. To fill the gap, the Ethiopians turned to the Soviet Union.

Soviet Help

The Ethiopians needed Moscow for two reasons. The secessionist movement in Eritrea was drawing new sustenance from a group of conservative Arab states led by Saudi Arabia and includ-

ing Egypt and the Sudan. Addis Ababa wanted Soviet military help for the fighting.

The secessionist movement in Ogaden was getting help from Somalia which in its turn had an armed force supplied and trained by the Russians. The Ethiopians wanted Soviet military and diplomatic assistance to prevent a takeover of the Ogaden by the Somalis.

When a Soviet effort to mediate between Ethiopia and Somalia fell through, Washington was presented with a golden opportunity. By according to Somali requests for U.S. military help, this country could simultaneously one-up the Russians, pay back the Ethiopians, and ingratiate itself with the regimes of Saudi Arabia, Egypt and the Sudan.

Just how much the United States moved in that direction is now in dispute. But I have no doubt that Arnaud de Borchgrave of Newsweek is correct in asserting that Washington tilted hard toward the Somalis.

The evidence is a comment made by the President to Vice-President Mondale for relay to Secretary of State Cyrus Vance and National Security Adviser Zbigniew Brzezinski on April 6. The President's words are public because on April 6 Time magazine happened to be doing a day with Mr. Carter. According to Time, the President said:

"I want you to tell Cy and Zbig that I want them to move

in every possible way to get Somalia to be our friend."

That pressure finally bore fruit on July 28 in a U.S. commitment to provide arms to Somalia "in principle." But by that time a change in conditions on the ground was giving all concerned second thoughts. The Eritrean guerrillas and the insurgents backed by Somalia in the Ogaden had gone on the offensive in ways that threatened the dismemberment of Ethiopia. Dismemberment of Ethiopia raised the prospect of an unraveling of old colonial borders all across Africa, most immediately between Somalia and Kenya. As to the Russians, they were hung up in the worst way between support for their old friends in Somalia and their new friends in Ethiopia.

Clear

In these circumstances, it became clear that the Soviet Union would be seriously embarrassed even if—and maybe especially because—the United States did not play "Big Two" power politics in the Horn of Africa. It was equally apparent that the Somalis wanted U.S. support for more than merely defensive purposes. It was a question whether Washington wanted to promote the dismemberment of Ethiopia and the potential for border troubles all across Africa.

So in August Washington decided to hold aid to Somalia in abeyance. More recently new contacts with the Ethiopians were opened by a member of Mr. Brzezinski's national security staff.

Now matters are about where they stood when the Carter administration took office. The Ethiopians are on the defensive against secession and the Somalis, backed by the Arab states, are pushing forward. Russia has the headache of dealing with the area, and Washington is taking toward the Horn an attitude of reserve.

Thus in the Horn of Africa—as in relations with Russia, the Near East, nuclear nonproliferation, withdrawal from Korea, and human rights—the Carter administration initiated a bold new departure, and then gradually returned to past practice. Well-founded criticism can be launched against false starts and exaggerated hopes. But on balance it makes more sense to be thankful that, because there were no crises, so little has been lost as the new administration finds its way.

FIERRE GINGRAS,
Torreblanca, Spain.

The Lance Affair

With reference to the Bert Lance affair, I am impressed with two salient factors:

(1) Underneath all the allegations, Lance's banking operations resulted in no loss to the banks or the customers.

(2) Lance's critics are senior members of the U.S. Congress whose operations over the past 37 years have created a national debt in excess of \$800 billion dollars.

There has got to be a message here somewhere.
CHALMERS H. GOODLIN,
London.

A Bumpy Passage For Car

By David S. E

WASHINGTON—In of his 1978 presidential adventures, Rep. Udall, D-Ariz., acquired expertise about Jimmy and from the same pe as all the other th thoroughbreds in the c this year about Seattle Udall learned a lot a this President looks the back.

It was his observation of weeks ago that the the Carter administration glomming to resemble it first Nixon administration strikes me that det in the last couple w the Udall notion is slightly plausible.

He did not suggest—that the characters of presidents are alike or careers will end in the Quite the contrary, was that Carter was in for a bumpy passage anyone who thought b ting into an tremed should remember the covery of 1971-72.

The parallels are rat esting. It is no longe recall the mood of Nixon years, but, in inauguration-like Ca welcomed as a fresh i period of turmoil, I Carter, made an impro lomatic debut on his i dental trip to Euro Nixon, like Carter, off venturesome legisla ing, of course, a majo reform proposal.

The first eight mont fice for both presid rather smoothly, and the autumn of their both men faced the fi challenge to their au govern.

For Nixon, it came in of the huge anti-Viet protest marches. He effectively with his "dilly" speech, but never regained the confidence of the early months.

The Lance C

For Carter, the challenge in the Lance case, Nixon, he appears to h an effective strategy to the problem. He mar week both to separat from the source of s continuing controversy w administration and t that, by his steadfastne helped a friend walk o with his head held h this President was as e the experience as Nixon by the shouting dem who surrounded the Wh in his time.

Whether Carter is able to regain stride Lance suffers than Nixon the confrontation with nam moratorium is pr cal.

It seems quite likely t events will bear out Udall that the next 12-18 mo be rough for Carter, ju comparable period was f. Nixon suffered in h year from the growin impatience with the pace drawal in Vietnam, f rising controversy over tactics used in Vice-A Agnew's speeches, and—ll—from the severe slump.

The Upshot

The upshot was a sta Congress in the mid-term and a serious setback Republicans in the state —a net loss of 11 gove

What is the chance Ca follow a similar course? high, one would guess, acknowledged himself, hi bility and reputation f probably suffered temporary damage in th affair.

Republicans are in a position to embarrass the cats in the 1978 stateho tions, and such a defea surely trigger the same political prophecies abo ter's future as Nixon h 1970-71.

But that's where Udall reminder: history. Ne Never underestimate the of a president to change change personnel and cha political equation. In 1971 suddenly produced John C. as a Cabinet member, the to China and the new e policy, and, in a mat months, he was well on i to re-election.

Carter, says Udall, is of the same sort of recover man probably knows when speaks.

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ARIS FILMS

Lelouch's Western Has French Accent

By Thomas Quinn Curtiss

PARIS, Sept. 27 (UPI)—Claude Lelouch begins "Another Man, Another Chance" in a manner pleasant to Thomas Beer's "Maive Decade." "They laid James in the grave and a Gabriel Rossetti died im-

ately," wrote Beer as the are to his fantasia of the

China, N. Korea Are Buying West Movies

By Thomas Quinn Curtiss

PARIS, Sept. 27 (UPI)—China and North Korea have purchased several

from a British distributor, including one based on a

British television series on Scotland Yard de-

tics, it has been reported.

Anna Medawar, director of

East distribution for Eclair and Musical Industries,

she believes the Scotland Yard movie, "The Sweeney,"

is the first Western film to be screened publicly in the

Communist nations.

China has indicated it plans

a general relaxation of its

restrictions on the purchase of

Western movies following the

four of the country's "gang

four" radical leadership last

year.

Medawar said China and

North Korea also purchased a

film on the silver jubilee of

an Elizabeth II, but that

film will be shown only

selected audiences.

Medawar said North Korea also

chased "Cross of Iron," a

about World War II, for

showing. He said the

news, however, decided

not buying the film.

ter settlement where cowboys are still cowboys, where horse thieves are strung up as soon as they are apprehended and where wagon trains moving across the prairies are still in danger of Indian attacks.

The younger French directors worship the eminent Hollywood distillers of the classic Western. They refer to Howard Hawks and Raoul Walsh in the reverent tones that small-town politicians reserve for the necessary mentions of Abraham Lincoln in their electioneering harangues. They would all rather be John Ford than Eisenstein, but the pioneering master of the school, James Cruze, who made the first Western epic, "The Covered Wagon," is absent from their eulogies.

It is probably because little of his work is available. Yet the Cruze innovations, through imitation, survive and there are some touches of his technique to be discerned in "Another Man, Another Chance."

Lelouch's Old West has the invigorating air of the open spaces and he has captured the nostalgic quality of the better Westerns from admired Hollywood hands in drawing the burly joys, simple virtues and rough kindness of the frontier community. He has appropriated the raw melodrama of his mode well—in the shoot-out in which justice is dealt the villains—but there is a freshness to his treatment. Subtly, gently and with winning charm, he makes a contribution to Franco-American amity.

An impoverished Parisian photographer and his sweetheart, fleeing the hardship of the 1871 decade in France, cross the Atlantic and make their home in a tiny town of the cattle country. There they set up a primitive studio and ply their trade. The romance of the lonely Parisian and a bereaved animal doctor is the main story. It is exceedingly ingratiating and not too sentimental as it unfolds against a background full of colorful detail, lost folkways, honest humor and an inkling of pathos.

Genevieve Bujold as the young lady from Paris suggests touchingly the vulnerability and indomitable bravery of the heroine in a strange land and James



James Caan and Genevieve Bujold in Lelouch's "Another Man, Another Chance."

Caan gives his best performance as the likable vet.

"Another Man, Another Chance" is a hybrid Western, unique and entertaining. It is not in the spacious manner of the epic, but within its chosen bounds it renders the optimistic American dream—sometimes with a plangent French accent—in an affectionate portrait. Its dialogue is bilingual, the Parisian scenes in French and those of the ranch settlement in English (at the Colisée, the Franciscan, Saint-Germain, Ruchette and the Clichy Pathé).

Bertrand Tavernier is a relatively new French director. He made an auspicious debut with "L'Horloger de Saint-Paul" three years ago. This stark study of a watchmaker father who belatedly comes to understand his rebellious son after the latter's murder, won Tavernier the Prix Louis Delluc. Since then we have had his "Que la Peste Commence," a bewily cartoon of the Regency court, and "Le Juge et l'Assassin," in which a half-witted compulsive killer is sent to the guillotine by a corrupt public prosecutor. His latest, "Des Enfants Gâtés" (at the Gaumont Colisée, the Saint-Germain Village and the Imperial Pathé), shows a marked maturing of his talents.

Tavernier's uncommon craftsmanship is here, as elsewhere,

superior to his scripts. As a director he has the unusual knack of making all his scenes extremely interesting and this rare proficiency is displayed throughout his new film.

A movie director of 50, in order to be free from his family and household interruptions, takes quarters in a gigantic apartment house, thinking that in such retirement he can work in peace. His neighbors solicit his aid in opposing the tyrannical demands of the landlords and he is soon on a protest committee, at the same time becoming involved in a love affair.

The material in less skilled hands than Tavernier's might result in just another cinematic rant. He keeps it clear of boring repetitions, gives the characters body and all that happens is absorbing. Everything, in a

word, is vivid and alive. Michel Piccoli is a competent actor, but of late inadequate direction has disguised the fact. He benefits from Tavernier's guidance in impersonating the filmmaker whose flight from home brings him other problems.

Yves Montand's starring vehicle, "La Menace" (at the Paramount Elysee, the Balzac and the Paramount Opéra), suffers from an awkward presentation of its complicated narrative. Its protagonist must feign to be a murderer. An interminable investigation, with the hero's invention of false evidence to distract the police, is exceedingly tiresome. To lend some excitement, there is a finale in which a battery of trucks charge Montand in his car on a Canadian highway.

Royalties Law Proves a Dud Calif. Artists Wait in Vain for 5%

By Everett R. Holles

SAN DIEGO, Sept. 27 (UPI)—

The first state law granting royalties to artists from profits on resales of their work has become hopelessly stymied, nine months after taking effect, by legal complications and an organized boycott by California art dealers and collectors.

Intended to guarantee visual artists the same residual benefits enjoyed by composers, authors and playwrights, the law calls for an artist to receive 5 per cent of the seller's profit whenever his painting, drawing or sculpture changes hands at a price exceeding \$1,000.

So far, however, neither sponsors nor opponents of the statute are aware of a single instance of a royalty payment being made to an artist under the law.

Nor does it appear that more than two or three artists have filed suits seeking a share of the profits from resale of their creative efforts, a preliminary step required by the statute that affects only artists and dealers who are legal residents of the state.

As a result, supporters of the royalty formula are preparing to ask Congress to rescind the California experiment by adopting it as the framework for a more stringent national law. Their plan also calls for establishing a government "art bank" to distribute up to \$1 billion a year, largely for the purpose of popularizing lesser known but talented American artists.

Secrecy Factor

Rep. Henry Waxman, D-Calif., of Los Angeles, who concedes that enforcement of royalty payments by an individual state is virtually impossible because of the secrecy of many art sales and

the opportunity for out-of-state "bootlegging," has drafted the Visual Arts Act of 1977.

Instead of compelling the artist to bring suit for a percentage share of the resale, the Waxman proposal calls for all artists to register their works, and dealers to submit bills of sale with a Department of Health, Education and Welfare commission set up to police the royalty levies.

The commission would take 1 per cent—and in a few instances all-of the 5-per-cent royalty to help finance the "art bank," the activities of which would include the purchase and loan for public exhibition of work by obscure artists.

Although the California law is the first of its kind in the United States, similar profit-sharing with visual artists from resale is established by law in France, West Germany, Italy and Switzerland.

When the California Royalty Act was signed by Gov. Edmund Brown Jr., art connoisseurs warned that it was "utterly unenforceable" and would lead not only to widespread bootleg sales, but also would be injurious to both artists and galleries by "boosting prices out of reason."

Any seller, they said, would simply add the 5 per cent to the resale price tag.

Statewide Boycott

Since the law took effect, an organization called CADRE (Collectors, Artists and Dealers for Responsible Equity), made up mainly of art brokers, has come into being and has been directing a statewide boycott of the law.

CADRE has circulated letters urging that "sellers of art, whether collectors or dealers, decline to make royalty payments

and advise artists of their inmovable opposition to the act."

A counterorganization, Artists for Economic Action, has appeared, headed by Ron Blumberg, an artist, to defend the statute and to work for "putting more teeth" into its enforcement provisions.

A section of the law drawing particularly heavy fire empowers the California Arts Council, a citizens' group appointed by the governor, to collect the 5-per-cent royalty and hold it in trust if the seller of a work of art cannot locate the artist within 90 days.

Money for Grants

After seven years, if the artist is not found, the money could be used by the council for its various fine-arts programs, including awards and grants to artists and a statewide art-exchange program.

"The 5-per-cent royalty represents 10 to 30 per cent of the profit a dealer usually makes on the sale of a painting," said Howard Moresburg, a Los Angeles art dealer and a member of CADRE's advisory committee. CADRE is suing to overturn the statute, maintaining that it imposes an unconstitutional burden on interstate commerce.

The advisory committee, in its appeal to dealers and collectors to refuse to make royalty payments, contended that less than 1 per cent of all living artists ever produce a work yielding a profit at a resale price exceeding \$1,000.

Furthermore, the dealers argued, the resale business is largely "a backroom affair" supporting an original purchase from an artist in "the front gallery" and that lesser-known artists would suffer badly if royalties made profitable resales less attractive.

Monoliths, Tombs Found

Archaeologists Turn to Egypt Delta

By Adam Zagorin

CAIRO, Sept. 27 (UPI)—

Despite more than a century of archaeological research into the history of ancient Egypt, all evidence is not yet in.

One of the most promising archaeological digs today is at Mendes near the Nile town of Mansoura, about 100 miles northeast of Cairo.

Summer marked one of the site's most successful seasons. Archaeologists were first attracted to the site in 1963 by a huge granite monolith 21 feet high

later found three others nearby.

They are the largest monoliths of Cairo and com-

monumental, said Bernard

Assal, curator of Egyptian

art at the Brooklyn

museum and project director for

ancient expeditions.

He said the monoliths, which

archaeologists believe are part of

a dynasty temple honoring

a god of Mendes, diggers

found statues and tombs

of the New Kingdom and

from the Old Kingdom.

Granite Sarcophagi

are the most spectacular

sculptured when the Mendes

unearthed a granite

bagus embedded in lime-

stone. It once held the remains

of the New Kingdom Pharaoh Hakor, who lived in the 5th century BC.

The sarcophagus, which is 12 feet high and 7.5 feet wide, was completely empty and probably robbed in antiquity," according to Dr. Edward Ochsenschlager, one of the project's field directors, who heads the classics department at Brooklyn College.

Near the sarcophagus part of a temple facade was revealed. In the debris of this building finely carved statues of a general and two priests were also discovered.

"The quality of the statues is quite extraordinary and the information about the late period that can be derived from their inscriptions will be very significant. These, together with the find of Hakor's tomb, make it reasonable that the 26th Dynasty arose here," Dr. Ochsenschlager said.

The site received little attention until recently. Traditionally, archaeologists have ignored the Delta and concentrated on Middle and Upper Egypt—the tomb of Tutankhamen, the great pyramids of Giza and the spectacular rock-temples of Abu Simbel.

"Just as the Delta is economically and in terms of population the most important region in Egypt today, we be-

lieve it must have been the same in antiquity," Dr. Ochsenschlager said.

Beneath the monoliths, at a depth of 15 feet, archaeologists found parts of an Old Kingdom cemetery, dating from the 6th Dynasty (2300 BC).

The tombs, known as mastabas—Arabic for bench and so named because of their low, flat appearance—are made of mud-brick. All others found in Egypt have been of limestone.

One of the mastabas excavated last year contained little of interest. The tomb was sealed and archaeologists speculate the site was a false tomb designed to frustrate would-be thieves.

While the days of discovering treasures like those in Middle and Upper Egypt are probably over, scientific techniques have opened other frontiers.

Embedded in the strata alongside the mastabas, researchers found extensive pollen remains from the Old Kingdom.

"Although the analysis is not yet complete," said Dr. Ochsenschlager, "the pollen has already shown that plant life in the Delta during the Old Kingdom was completely different from what one finds today. We must therefore reconstruct an entirely new picture of the region's ecology."

ENTERTAINMENT IN NEW YORK

NEW YORK, Sept. 27 (UPI)—This is how the New York critics rate new films and

Films

Special Day," directed by Scorsese, "is an acting tour de force for Sophia Loren and Marcello Mastroianni," according to Canby. It is set in 1938, on the day of a state visit. Miss Loren, mother of six "who has once given up caring what she looks like," and Mastroianni, a homosexual, meet after a long time and children have a parade and they are one together. "Their brief lights up the screen as kind of radiance you get on great movie actors who are great stars," Miss Loren "glitters" and has "a hat easier time of it," if because "it's initially difficult to accept Mastroianni as a handsome, virginal hero, it is supposed to be." The play, written by Scorsese and Mastroianni, "is full of wit and when we're of the facile trivies."

Joy Reign Supreme, ("Que la Peste Commence"), a Frenchy Bertrand Tavernier, "is a provocative, visually inspired recreation of French life and social life during the last years of Philippe the regent for the young

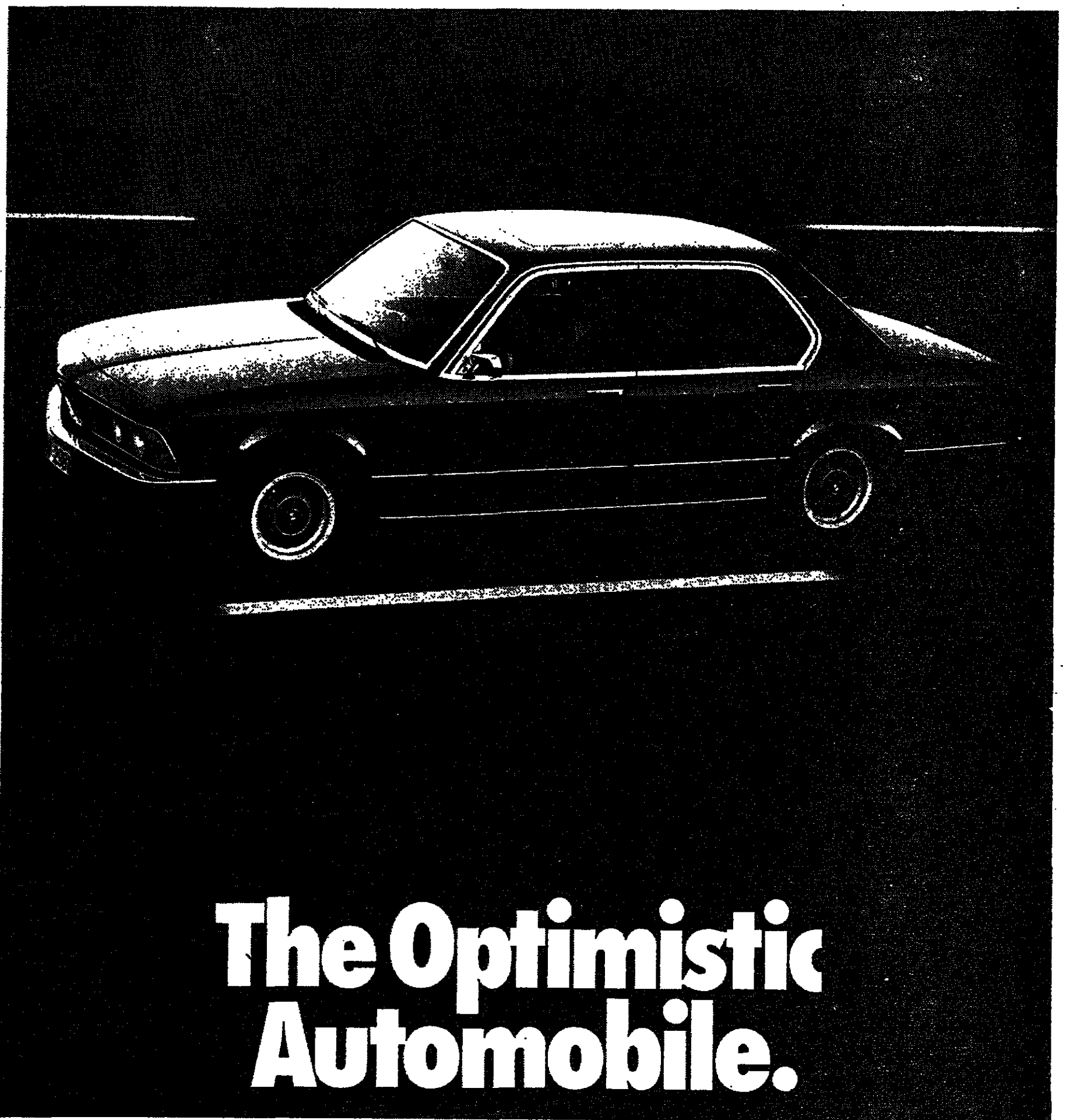
Louis XV," Vincent Canby says. Tavernier and his collaborator Jean Aureche suggest "that some of the factors that made the Revolution inevitable were more or less locked into place by events that took place during Philippe's reign." There are three main characters, Philippe, "superbly played by Philippe Noiret," the Abbé Dubois, played with "great style" by Jean Rochefort, and the Marquis de Fontenelle, played by Jean-Pierre Marielle. "The panorama that Tavernier sets before us is alive. It's also seen through the bifocal lens of a movie-maker who, though nagged by the close-up incident, never loses the long view. A fine film," Canby says.

"One Sings, the Other Doesn't," a French film written and directed by Agnes Varda, brought a "rapid" reaction from Vincent Canby. He says that Miss Varda has, over the years, "made so many interesting, original, surprising films that critics no longer feel compelled to make a big deal out of the presence of a woman in a field dominated by men." And this film about the friendship of two women over a period of 15 years "has some good sequences in it, is beautifully composed, and, as key moments, it's as phony—as relentlessly schematic and upbeat—as Soviet neo-realist art." The two women, played by Thérèse Liotard and Valérie Mairesse, end up resolv-

ing their problems but it "has the air of whistling in the dark. If we were more aware of the toll taken of the two women in their struggles, the film would carry more emotional impact. As it is, it has a sort of high-toned perfunctoriness to it."

Plays

"Tartuffe," starring John Wood, is a "spectacular but lopsided production of Molière's harsh comedy," Richard Eder says. Wood's performance is one of "sheer joyous excess, a kind of glorying in one's virtuosity." His "magnetism does not prevent us from appreciating the lucid and sometimes brilliant work of other members of the cast. But to a considerable degree, by making it impossible to look away from him, he undermines other aspects of the play." Stephen Glass "gives a good, sturdy performance" as Orgon, while Patricia Elliott, as the servant Dorine, "is first-rate. . . she holds together the play's first half." Tammy Grimes, as Orgon's wife, "was less polished" at the beginning, but she "improves rapidly" as the play progresses. "Of all the cast, in fact, Miss Grimes comes closest to making Wood in the rest of the cast." He says, "It would require direction more powerful than the imaginative but indulgent guidance provided by Stephen Porter."



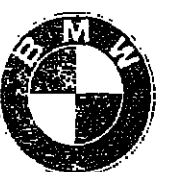
In our experience, the choice of a car of quality is not only determined by technical considerations. Equally important is the degree of harmony between the outlook of the driver on life in general and the design of the car.

With regard to the new large BMWs, it should be noted that they represent the product of a company with its own dynamic outlook and that they are built by people who regard achievement as a

spur to further activity. For this reason it is not surprising that they are preferred by people who share this outlook on life. One reason for becoming a BMW driver, therefore, lies not so much in what one has already achieved. But rather in what one hopes to achieve.

BMW cars

The BMW range of fine automobiles: the ultimate in performance, comfort and safety. Designed for the man who appreciates the excitement of driving



BMW - Sheer driving pleasure

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PARIS, WEDNESDAY, SEPTEMBER 28, 1977

Page 9

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Is Expected Temporary

Victor Lusinchi

Sept. 27 (NYT).—The Swiss monetary authorities today to ease the pressure on the high-flying franc by a strong boost to the dollar and the weak franc. However, foreign exchange dealers say the franc will only be a temporary boost.

The National Bank announced on all "forward" foreign exchange rates less than one month, which had hit an all-time high of 2.3705 francs yesterday, shot up to 2.3705 francs today at 2.3665, also improved against the dollar.

At the same time, the franc's value in the international market is going to remain stable, according to a leading bank in Zurich. "The National Bank sells the franc to meet the demand, but the exchange rate will not be held," he said.

Japan's 21-month-old economic recovery has been based largely on exports while consumer spending and domestic demand remain sluggish. The resulting imbalance has seen Japan, the world's largest exporter of manufactured goods, ship overseas goods valued at \$60.4 billion in the first eight months of this year, a 22-per-cent increase over the same 1976 period.

Japan's imports so far this year have shown a 13-per-cent increase over the first eight months of 1976.

Foreign Outlays of U.S. Firms Seen Increasing
 WASHINGTON, Sept. 27 (AP).—Foreign affiliates of U.S. firms plan to increase capital expenditures 12 per cent to \$32.8 billion in 1978, the Commerce Department said today.

The projected 1978 increase follows a 12-per-cent rise this year and a 9-per-cent decline in 1976.

The department said the planned 1978 increases are in line with average annual spending growth in the preceding 10 years but because of inflation they add less to productive capacity than did increases before the recession.

Manufacturing affiliates plan to increase expenditures 8 per cent to \$13.6 billion after a 14-per-cent increase this year. Petroleum affiliates plan to increase 1978 expenditures 15 per cent to \$11.5 billion after a 12-per-cent increase this year. Mining and smelting affiliates plan a 57-per-cent increase to \$1.3 billion and trade affiliates plan a 14-per-cent increase to \$2.4 billion.

Long, the director general of the International Chamber of Commerce, said in an interview that the use of existing international trade rules, he said, "could deter from taking unilateral protectionist measures."

View of Critics
 The orderly marketing of steel is seen as a way of around GATT rules, but a country to limit restraints against all

Blumenthal Gloomy on Current Accounts Key U.S. Deficit Is Seen Widening

(Continued from Page 1)
 a "modest (expansionary) contribution of our own." U.S. officials privately say they are not sure that the time is ripe for reflation in Britain.

Meanwhile, with the notable exception of France, major countries swung into line behind proposals for a major expansion of the resources of the World Bank and the IMF.

Approval Withheld
 Although French Minister of Economy Robert Boulin endorsed the money-lending potential of the IMF, he withheld approval now of an increase in the general capital of the bank.

With the French the only holdout, now that Washington has come around to support the

Mrs. Kreps Warns Japanese On Prolongation of Trade Gap

(Continued from Page 1)
 Kreps said that the major threat of such imbalances was not to the United States' economic strength but was instead in feeding "a strong sentiment for protectionism."

Congress's Role
 She said the Carter administration wanted to encourage the flow of free trade. But, she added, "whether we could continue that is a moot point. We must try to find solutions in specially troubled areas like steel before they trigger heavier layoffs and lend credence to arguments for protectionism."

Moreover, American businessmen have maintained that tariff and other structural barriers, such as Japan's complex distribution systems and stiff government procurement policies, limit the effective economic penetration of the Japanese market by foreign firms.

Mrs. Kreps noted the heavy preponderance of agricultural, forestry and other unprocessed goods in Japan's purchases from the United States, and she suggested an increase in the importation of American-made consumer goods as well as the reduction of high tariffs on items such as film and computers and a liberalization of import quotas on certain commodities.

Mrs. Kreps also urged greater efforts by U.S. firms to sell in Japan, and in a meeting with Tatsuo Tanaka, minister of international trade and industry, it was agreed today that the two nations would establish a "trade facilitation committee" to examine the problems that U.S. exporters encounter in Japan and to improve their selling success here.

Japanese officials were reluctant to make substantive public comments on Mrs. Kreps' remarks and the U.S. drive to pressure Japan. They described the bilateral meetings as "amicable" and both sides stressed the close ties existing between the two nations.

But privately some Japanese officials said their nation's true trade picture should be viewed in a global context instead of bilaterally. "We are aware of the mounting protectionist pressures in the world, including the United States," said one Foreign Ministry official. "We are much concerned and aware of the need to have a better balance. It is most important to increase domestic demand and we believe our economic measures will be sufficient to produce the planned 6.7-per-cent annual economic growth."

Barre of France obtained a limited endorsement from President Carter for his idea of "organized free trade." According to the French view, some new import curbs are necessary at a time of recession.

Mansfield on Steel Problem
 TOKYO, Sept. 25 (WP).—U.S. Ambassador to Japan Mike Mansfield said yesterday that an orderly marketing agreement limiting Japanese steel exports to the United States "might be the best solution to a growing trade problem between the two countries."

"The Japanese would be willing to enter into an agreement," Mr. Mansfield said, but he added that he was not sure that the Carter administration, the U.S. steel industry or the AFL-CIO is ready to consider such a solution.

Earlier this month in Washington, Prime Minister Raymond

proposal, the expansion of the bank's capital is considered a sure thing, with the exact dimensions to be settled next year.

Mr. Healey called for "roughly doubling" the World Bank's capital, which now is about \$40 billion.

U.S. and West German endorsements were couched in more limited terms. Mr. Blumenthal said that to assure economic growth in the developing world, "we are prepared to begin formal negotiations . . . leading to a general increase in [World Bank] capital."

Mr. Apeil cautioned that the targets for the increase should be in line with "a moderate real growth of the bank's operations." He suggested that the bank's goal for annual lending increases

should be about the same as the real rate of economic growth in the industrial countries.

Actual decision on the size of the seventh IMF general quota increase—involving national currency put on deposit with the IMF—will not be made at this meeting, but at the interim committee meeting in Acapulco, Mexico, next March. A country's quota determines its eventual borrowing rights, in other currencies, from the IMF.

100-Per-Cent Rise
 The IMF staff has supported a 100-per-cent increase in quotas—from about \$45 billion to \$90 billion. No one went that far today, and Mr. Apeil warned against an increase so big that it would be inflationary.

He offered a "new idea"—that instead of distributing new IMF quotas equally among the four "tranches" (levels of borrowing rights), a greater share be tied to those borrowings requiring stricter conditionality.

Mr. Healey, on the other hand, warned that conditionality must be "no good" to boost the fund's quotas "if those who need them most are unable to accept the conditions for their use."

The United States did not take a position on this question, but Mr. Blumenthal did argue that the IMF should use both the special \$10-billion line of credit in the "writings facility" and new quotas "to foster necessary adjustment . . . [which] will in some cases require a longer period of time."

Speaking before the House Banking Committee's Subcommittee on Domestic Monetary Policy, Mr. Partee noted that "there is no immediate need" to restrain economic expansion since there is little evidence that "a major new boom is in the process of developing."

He said the Fed's Open Market Committee "continues to believe that the wisest course is to limit the speed with which money market conditions are adjusted to changing monetary growth rates."

"Inherently Unstable"
 He said that the reason for the Fed's caution about responding too quickly to growth in the money supply was that the monetary aggregates, particularly M-1, "have proved to be inherently unstable in the short run."

"Bulges of a month or two in duration are often reversed subsequently, as was the case in the spring and summer of 1975, and again in 1976," he said.

"Prudence in our actions is dictated also by the fact that the relationship between the various measures of monetary growth and the performance of the economy is loose and unreliable, since it is subject to rather abrupt shifts as the result of changing financial practices and economic conditions."

Meanwhile money market dealers in New York report indications that the Fed may be in the process of further credit tightening.

The central bank allowed federal funds to climb to 6 3/8 per cent bid yesterday before injecting reserves into the banking system to curb the upswing. Federal funds moved higher anyway, closing at 6 7/16 per cent, dealers said. Today the quote was 6 5/16 per cent.

Key Indicator
 Federal funds are reserves that banks lend one another and they are considered a key indicator of the direction of short-term interest rates.

"The Fed apparently is continuing to let short-term rates tighten," said one specialist.

Recently, it is believed, the Fed has raised to 6 1/4 from 6 1/8 per cent its target rate of federal funds. But some dealers now say the Fed may be pushing its target rate even higher.

60 Reactors on Order
 GE has a worldwide backlog of orders for about 60 nuclear power reactors, valued at about \$6 billion, but the company has not sold one of the complex nuclear systems since 1974.

Many industry sources have been interpreting public criticism by GE executives of U.S. nuclear regulatory bottlenecks as a sign that GE was readying an exit from the business.

Costs already incurred to upgrade the reliability of GE's nuclear reactors plus the previously reported deferral or cancellation of some nuclear orders in recent years "have placed the [commercial nuclear] business in a loss position which will extend for several years," E.E. Hood Jr., GE vice-president in charge of power generation, said in a speech here recently.

"We consider these losses a reasonable price to pay for the long-term benefits we expect to achieve in product performance," he added.

The restructuring of management at San Jose will take effect Saturday.

FINANCIAL NEWS AND NOTES

Zenith Transfers Operations

Zenith Radio Corp. plans to transfer some operations to foreign plants in an attempt to reduce costs, restore profits and retain its position as a volume leader in the U.S. television industry. The company says substantial portions of its television module board and chassis assembly operations will be transferred to plants in Mexico and Taiwan, eliminating about 3,500 U.S. jobs. It will also procure future stereo products from sources outside the United States, eliminating another 1,500 jobs. John Nevin, chairman, says he expects Zenith to be profitable this year and anticipates the cost reduction programs will contribute to profit recovery next year.

Renault Sets Plant in Northern France

State-owned Renault will build a plant near Thionville, in northeastern France, for the production of mechanical parts. The new facility will be in addition to a factory being built at Batory, near Metz, by its trucking subsidiary, Saviem. The two operations will create between 3,500 and 4,000 new jobs by 1984, the company says. The Peugeot-Citroen group plans to build a factory in northern France, near Hagondange, for the production of mechanical parts and plans to expand the production of gearboxes at its factory near Metz. These two operations will create some 4,000 new jobs by 1984. The moves are in line with government efforts to reduce unemployment in the Lorraine region resulting from plans to restructure the steel industry and the closing down of obsolete plants.

Inco Forecasts Lower Profits

Inco Ltd.'s 1977 earnings "will be lower than earlier expectations and will not match the 1976 level," says John McCreedy, chairman of Inco Metals Co. Unless there is a dramatic turnaround in the nickel market, which he terms highly unlikely, or unless production is further reduced, no significant decrease in worldwide inventories can be expected in the near future, "certainly not by year-end." He says Inco has the largest share of the world's excess nickel inventories, about four months' deliveries over the normal inventory of two to three months' supply. "We are in the process of developing a production plan for 1978, but it is still too early to predict with any degree of certainty the levels of demand and supply that will prevail in the nickel market next year," he adds.

Partee Tells of Fed Money-Supply Caution

WASHINGTON, Sept. 27 (AP).—Charles Partee, a member of the Federal Reserve Board, said today that the Fed must be "judicious" in reacting to sudden bulges in the growth of the money supply.

Speaking before the House Banking Committee's Subcommittee on Domestic Monetary Policy, Mr. Partee noted that "there is no immediate need" to restrain economic expansion since there is little evidence that "a major new boom is in the process of developing."

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NYSE Prices Broadly Lower After Attempt at Rally Fails

NEW YORK, Sept. 27 (NYT).—Prices on the New York Stock Exchange, caught between the cross-currents of economic worries and hopes that the Wall Street decline had bottomed out, finished broadly lower today after a rally attempt ran out of steam in the final hour.

Weighting down the market was renewed concern about a possible business slowdown.

Among the indications of a slowdown cited by analysts was an announcement by Zenith Radio Corp. that it will lay off workers at factories in Illinois and transfer some operations to foreign plants.

This development came on top of sharp cutbacks in the steel and other basic industries, the analysts said.

In addition, the market continues to be held back by rising interest rates and expectations that the prime interest rate may soon be raised to 7 3/4 from the present 7 1/2-per-cent level.

Industrials Off 5.80
 The Dow Jones Industrial average was down 5.80 to 835.85. It was ahead 1 1/2 points in early trading.

Volume totaled 19.08 million shares, up from 18.33 million yesterday.

UV Industries topped the list of actives, up 1 5/8 at 22, followed by Citicorp, which eased 1/8 to 24 1/2. MAFCO, also heavily traded, dropped 3 3/4 to 37 1/4. The company said its third-quarter earnings would be below the year-earlier level.

Among chemicals, actively traded Dow Chemical was unchanged at 30 5/8, but Monsanto fell 1 to 59 7/8 and Allied Chemical 1 3/8 to 43 3/4.

General Electric declined 1 3/8 to 51, U.S. Steel 1 to 27 5/8, IBM 1 1/4 to 258 1/4 and Jack Winter, a big percentage loser, 1 5/8 to 13. Trading in Zenith was halted with the last price at 14 1/2.

Exxon eased 1/4 to 47 7/8. The Securities and Exchange Commission is suing the company for alleged illegal payments.

Prices finished higher on the American Stock Exchange in moderate trading.

The Amex index closed at 117.48, up 0.35.

Stock volume declined to 1.95 million shares, compared with 2.08 million yesterday.

IT Report Assails the Orderly Marketing Arrangements

by Paul Lewis

Sept. 27 (NYT).—In trade is increasingly seen to informal and disintegrating that many of its want to make permanent a new re-ordered by the Secretariat General Agreement on Trade.

severe organization, which international trade is issuing warnings about the dangers of holding for an economic report, as yet un-issued out a popular device known as the orderly agreement, under which exporters "voluntarily" sales to countries in goods are damaging and increasing unem-

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suppliers simultaneously and often to compensate them for doing so.

Although such orderly marketing agreements violate the spirit of existing trade commitments, governments have made increasing use of them because of the recession and shortages of jobs. Many political leaders and trade officials believe tighter restrictions on disruptive imports are inevitable at a time when few jobs are available for those thrown out of work by cheap foreign goods.

The GATT study attempts to put a price tag on such protectionism and is considered the first authoritative attempt to measure the protectionist upsurge.

It calculates that, during the last two years, new restrictions have been applied to 3 to 5 per cent of world trade, with an an-

ual value of \$30 billion to \$50 billion.

The study concludes that most of the trade agreements are aimed at restricting imports into the United States and Western Europe from Japan and the more advanced developing countries—Taiwan, South Korea and Brazil.

Among the products most often restricted are textiles, clothing, shoes, steel, ships and household electrical appliances.

"The Carter administration is asking some developing countries to restrict shoe exports to the United States because they are hurting the New England shoe industry. The West Europeans have persuaded Japan to limit steel exports that threaten their own producers."

Earlier this month in Washington, Prime Minister Raymond

Barre of France obtained a limited endorsement from President Carter for his idea of "organized free trade." According to the French view, some new import curbs are necessary at a time of recession.

Mansfield on Steel Problem
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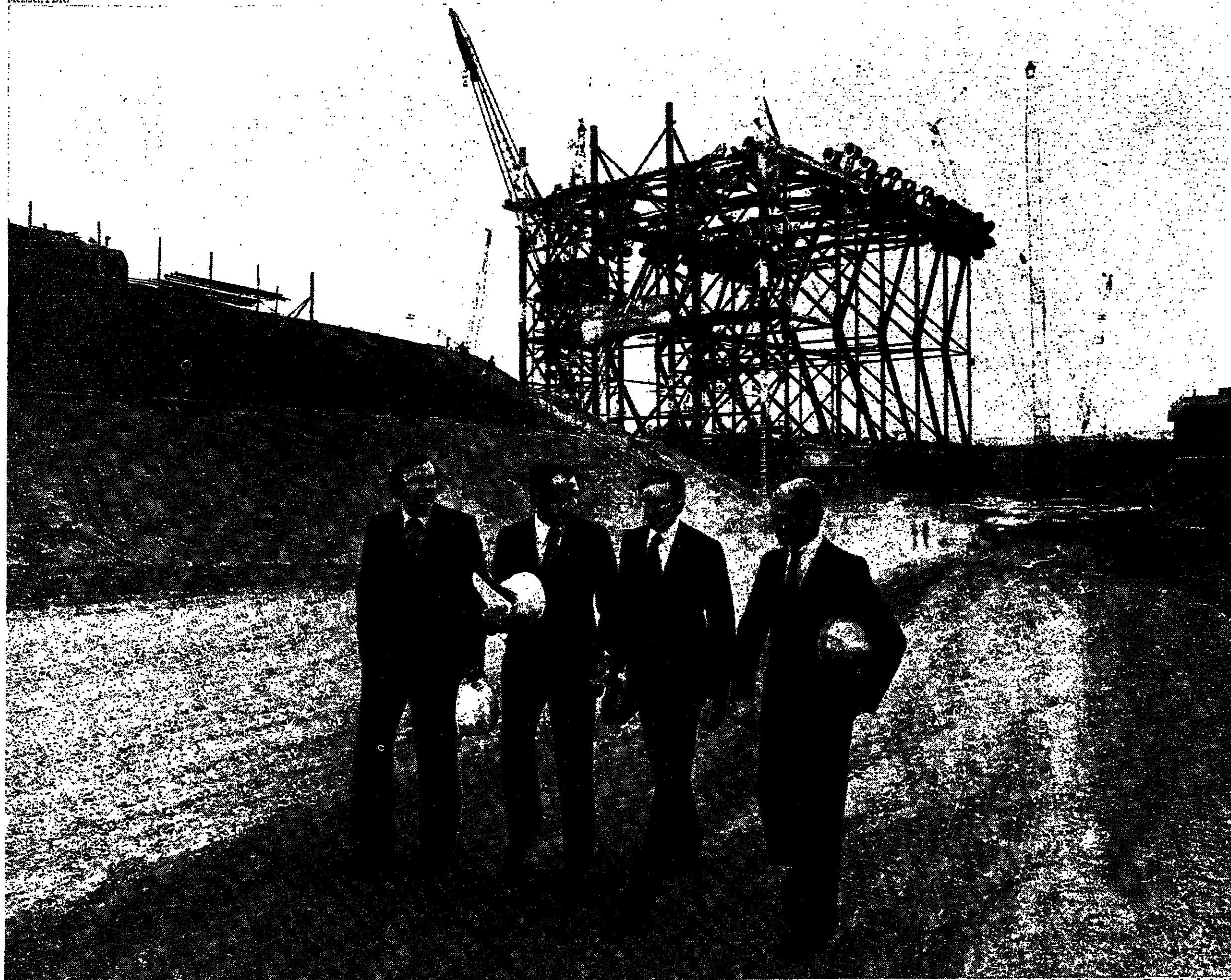
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At the construction site of a North Sea drilling platform in Scotland are four of the Morgan officers who deal with petroleum projects. From left, Peter Woicke, Brenton Brady, Peter Rugg, and Gilles Lecomte du Nouy.

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NYSE Nationwide Trading Closing Prices Sept. 27

Table with multiple columns showing stock prices, volume, and other trading data for various companies listed on the NYSE.

Table with multiple columns showing stock prices, volume, and other trading data for various companies listed on the NYSE, continuing from the previous table.

U.S. Commodity Prices

Table containing U.S. Commodity Prices for various goods like wheat, corn, soybeans, and oil, with columns for price, volume, and other details.

Table containing International Stock Indexes for various global markets, including London, Tokyo, and others.

Table containing Market Summary and Most Active stocks, listing key market indicators and the most traded securities.

Table containing Jones Averages and Standard & Poor's indices, showing performance metrics for major market averages.

Table containing NYSE Index and Lot Trading in N.Y., providing details on the New York Stock Exchange index and trading volumes.

Table containing American Most Active stocks, listing the most actively traded securities in the American market.

Table containing Tokyo Exchange prices, showing market data from the Tokyo Stock Exchange.

Table containing Italian Prices Rise, reporting on price increases in Italy, including a note about the Italian wholesale price index.

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**To: The Management of Foreign Exchange
Risks, INTERNATIONAL HERALD
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France.**

[illegible]

NEW YORK (AP)	Closing Prices Sept. 27, 1977	P
The following list		

[illegible]

Midday Indicated Prices

[illegible]

September 27, 1977

By reading across this table of yesterday's closing inter-bank exchange rates, one can find the value of the major currencies in terms of the national currencies of each of the following financial centers. These rates do not take into account bank service charges.

	S	D	M	F	L	T	Gldr	BF com	Swiss
eridam	2.4745	4.3170	106.13	50.22	27.99			6.9810	104.6250
els (e)	21.8565	61.8575	15.385	7.28	14.0575			15.184	
er	2.3312	4.0653	10.45	47.13	23.56		6.408	67.56	13.195
er	1.7385		4.606	5.665	14.5715		4.3086	67.56	13.195
	6.8430	1.643.90	21.326	179.44			38.74	40.65	266.24
	8.923	8.2545	211.430		5.7572	19.88	13.7390		30.735
	1.3755	1.7350	101.55	10.045	37.07		85.67	5.69595	
the following are dollar values only on the London foreign exchange market									
krone	6.1670	Euro:	46.73	Israel \$:	10.33	Peseta:	14.645	\$:	
Sw. krona:	4.9465	Yen:	268.73	Norw. krona:	5.5125	Plm mark:			
Sw. financial franc:	35.86	Hong Kong \$:	3.6940	Singapore \$:					
dan \$:	4.9391								

(e) Commercial Trans. (*) Units of 100 (S) Units of 1,000 (Y) Units of 100
 amounts needed to buy one pound.

7. Name of the person or persons to whom the property is being transferred:

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1. *Journal of the American Medical Association*, 2000; 283: 2689-2693.

.All of these securities having been sold, this advertisement appears as a matter of record only.

September, 1973

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Dean Witter & Co. **Rauscher Pierce Securities Corporation**
Incorporated Incorporated

Both sides were vulnerable.

Bidding	West	North
South	West	North
2 ♣	2 ♣	Pass
4 ♣	Pass	5 ♣
7 ♣	Pass	Pass

West led the queen king

اسماء، ام ولد

AP

Johann Cruyff

Who Rules Europe

now they'll play th

100

COW, Sept. 27.-

Klimenko likes to
charge t

1. *Chlorophyll a* (Chl *a*)

Ernie Shavers

Willie McCovey

The decision means that the winner will be recognized only by the World Boxing Council and the title will be split between WBC and WBA champions, like all others.

The Valdes-Briscoe fight, to succeed Monzon, is scheduled at the northern Italian town of Campione d'Italia on Nov. 5.

Major League Standings

AMERICAN LEAGUE				
	Eastern Division		Pct	GB
	W	L		
New York	97	59	.622	—
Boston	93	63	.600	3 1/3
Baltimore	89	63	.586	4
Detroit	72	84	.462	25
Cleveland	69	87	.443	28
Milwaukee	65	93	.414	32 1/3
Toronto	53	103	.335	44 1/3

Western Division				
x-Kansas City	99	56	639	—
x-Texas	80	67	573	70
Chicago	87	70	554	13
Minnesota	82	74	528	17 1/2
California	72	84	482	27 1/2
Seattle	61	96	389	39
Oakland	60	95	387	39
x-Clinched Division Title.				
Monday's Results				
New York 4, Cleveland 2.				
Oakland 7, Kansas City 1.				

Tuesday's Games
 Chicago at Minnesota.
 Toronto at Boston, n.
 Detroit at Baltimore, n.
 Cleveland at New York, n.
 California at Milwaukee, n.
 Kansas City at Oakland, 2.

NATIONAL LEAGUE
 Eastern Division
 W L Pct GB

NATIONAL TRACER _____

Montréal	72	84	163	23
New York	72	84	163	26
x-Los Angeles	84	51	506	—
Cincinnati	85	72	541	10
Houston	77	79	428	18 1/2
San Francisco	84	52	523	21
San Diego	67	90	474	28
Atlanta	80	87	532	35
x-Cincinnati Division Trade				
Monday's Results				
Chicago 10, Philadelphia 7				
Atlanta 12, Houston 19				
Montreal 8, St. Louis 5				
San Francisco 12, Los Angeles 1				
Tuesday's Games				
Philadelphia at Chicago				
Houston at Atlanta, n.				
New York at Pittsburgh, n.				
San Francisco at Cincinnati, n.				
Montreal at St. Louis, n.				

THESE

Keynote.

Another child, Mukhina has little time to spend at home with her parents here in Moscow.

Low Fee Charged

Physical training is mandatory in Soviet schools, and there are more than 200,000 physical culture groups or sports clubs nationally organized at factories, offices, farms and trade unions. Membership dues for any sports club are set by the state at 3 roubles (100 kopeks) a year. The fee includes the use of equipment and facilities and the services of coaches.

These sports organizations are all united under 37 sports societies to the Soviet Union, the largest of which is the Central Army Sports Club here. The Central

"If her program was not so difficult she would not stand out—no one would talk about her," Klimenko said. "In every exercise she is very unusual."

Whether Marina will live up to her billing as the "next Olga Korbut" remains to be seen. It might not even be a very inviting prospect for her.

After Korbut's spotlight-stealing performance at the 1972 Olympics, can she come out rougher times. A little more than a year later, following a disappointing performance in the European gymnastics competition, Korbut was publicly criticized here for allegedly resting on her laurels and failing to perform consistently.

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